

SCHEME DOCUMENT

DATED 27 MARCH 2025

Scheme Consideration

\$S\$0.98

in cash
per Unit

PARAGON REIT

(A real estate investment trust constituted on 9 July 2013 under the laws of the Republic of Singapore)

managed by

PARAGON REIT Management Pte. Ltd.

(Company Registration No.: 201305497E)
(Incorporated in the Republic of Singapore)

Offeror

Times Properties Private Limited

(Company Registration No.: 195900026E)
(Incorporated in the Republic of Singapore)

A wholly-owned subsidiary of



Proposed Privatisation of PARAGON REIT by way of a Trust Scheme of Arrangement

IMPORTANT DATES AND TIMES

Deadline for lodgement of Proxy Form A (EGM) and Proxy Form B (Scheme Meeting) 19 April 2025 at 2.30 p.m. and 3.00 p.m. respectively

Date and time of EGM and Scheme Meeting 22 April 2025 at 2.30 p.m. and 3.00 p.m. respectively

Venue of EGM and Scheme Meeting Simpor Junior Ballroom
Level 4, Sands Expo & Convention Centre



YOUR VOTE COUNTS. Please vote in person or by proxy

Morgan Stanley

Financial Adviser to the Paragon Manager

PRIMEⁿ
Partners

Independent Financial Adviser to the Paragon
Independent Directors and the Paragon Trustee

citi

Financial Adviser to the Offeror

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions contained in this Scheme Document.

If you have sold or transferred all or any of your Units, you should immediately inform the purchaser or transferee or the bank, stockbroker or agent through whom the sale was effected for onward notification to the purchaser or transferee that this Scheme Document, together with the Notices and Proxy Forms, may be accessed via SGXNet and the website of PARAGON REIT at <https://www.paragonreit.com.sg/proposed-privatisation/>.

All capitalised terms shall, if not otherwise defined, have the same meanings as ascribed to them in this Scheme Document.

1 WHAT IS THE SCHEME ABOUT?

- The Offeror, a wholly-owned subsidiary of Cuscaden Peak, and the Paragon Manager are jointly proposing to privatise PARAGON REIT by way of a Scheme
- A trust scheme of arrangement is an established process for acquiring 100% unitholding of a trust through a vote at a unitholders' meeting and Court approval
- Cuscaden Peak and its subsidiaries own 61.5% in PARAGON REIT, and will abstain from voting
- **Therefore, the outcome of the Scheme will be decided solely by the Minority Unitholders**



YOUR VOTE COUNTS

If you are unable to attend the Scheme Meeting on 22 April 2025 at 3.00 p.m. at Simpor Junior Ballroom, Level 4, Sands Expo & Convention Centre, please refer to sub-section 9 of this section on how to complete your proxy forms

2 WHAT WILL I GET FOR MY UNITS?

If the Scheme is approved:

- You will receive:

S\$0.98 in cash

per Unit

- The Scheme Consideration **will not** be reduced by the 2H FY2024 Distribution of 2.33 Singapore cents per Unit
- The Units will no longer be traded on the SGX-ST

If the Scheme is not approved:

- Proposed privatisation of PARAGON REIT by the Offeror will **not** proceed
- The Offeror will **not** acquire any Units or make any payments under the Scheme
- PARAGON REIT will remain listed; Units will continue trading on the SGX-ST
- Offeror intends to actively engage with PARAGON REIT to consider an appropriate plan for Paragon, as it strongly believes that a Potential AEI is critical for Paragon to remain competitive

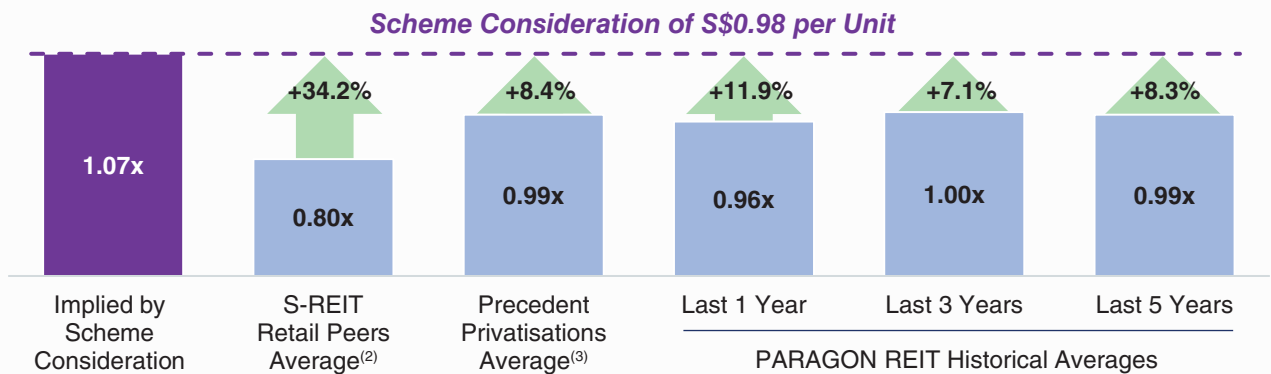
3 HOW SHOULD I EVALUATE THE SCHEME CONSIDERATION?

Scheme Consideration of S\$0.98 per Unit Delivers Attractive Value to Unitholders

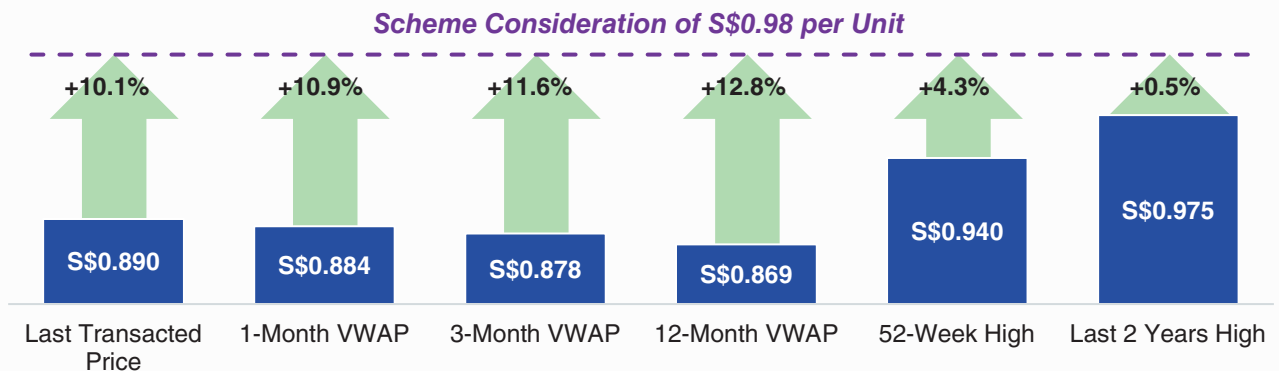


Price/Adjusted NAV of 1.07x exceeds peer benchmarks and historical averages

Price/Adjusted NAV⁽¹⁾



Attractive Scheme Consideration offers premium over traded prices



- Exceeds the highest ever traded price over the last two years⁽⁴⁾
- Premium of 9.0 Singapore cents per Unit to the Last Transacted Price represents approximately two years of distributions⁽⁵⁾



Opportunity to realise investment in cash, with no trading costs, at a premium

- Scheme proceeds can be reinvested in other opportunities, if desired
- Opportunity for Unitholders facing challenges exiting their investment due to low trading liquidity/odd lots

Source: FactSet, Bloomberg, Company Filings as at 10 February 2025

(1) Based on PARAGON REIT's FY2024 NAV of S\$0.9385 per Unit, adjusted for the 2H FY2024 Distribution of S\$0.0233 per Unit.

(2) Peers include CapitaLand Integrated Commercial Trust, Mapletree Pan Asia Commercial Trust, Frasers Centrepoint Trust, Lendlease Global Commercial REIT and Starhill Global REIT.

(3) Based on precedent privatisations of property trusts and REIT mergers with an all-cash option as consideration.

(4) In respect of the two (2)-year period ending on 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date.

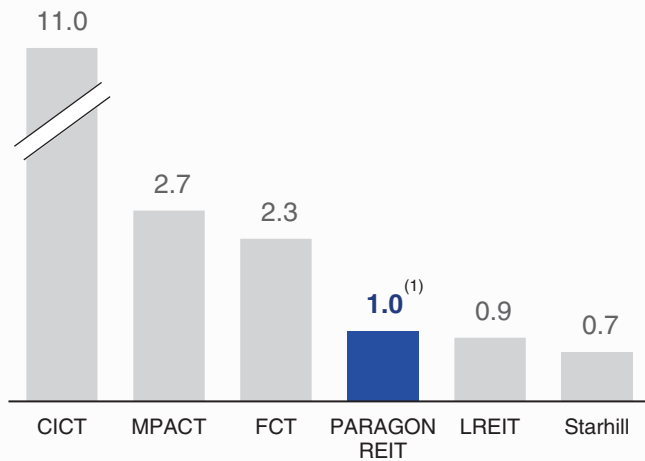
(5) Based on the last-12-months' (from 10 February 2025) declared distributions of 4.65 Singapore cents per Unit, excluding special dividends that are capital distributions in nature.

4 WHAT IS THE RATIONALE FOR THE SCHEME?

A PARAGON REIT's Trading Conditions Constrain its Potential For Sustained Growth

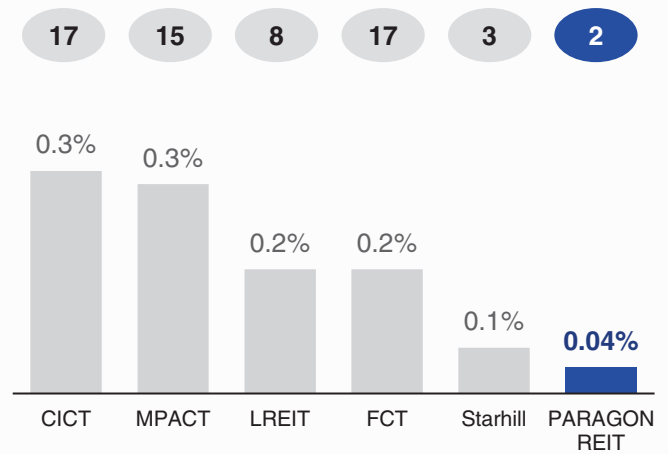
PARAGON REIT experiences low free float and trading liquidity, as well as limited analyst coverage and institutional investor flow

Retail S-REIT Free Float by Market Capitalisation
(S\$bn)



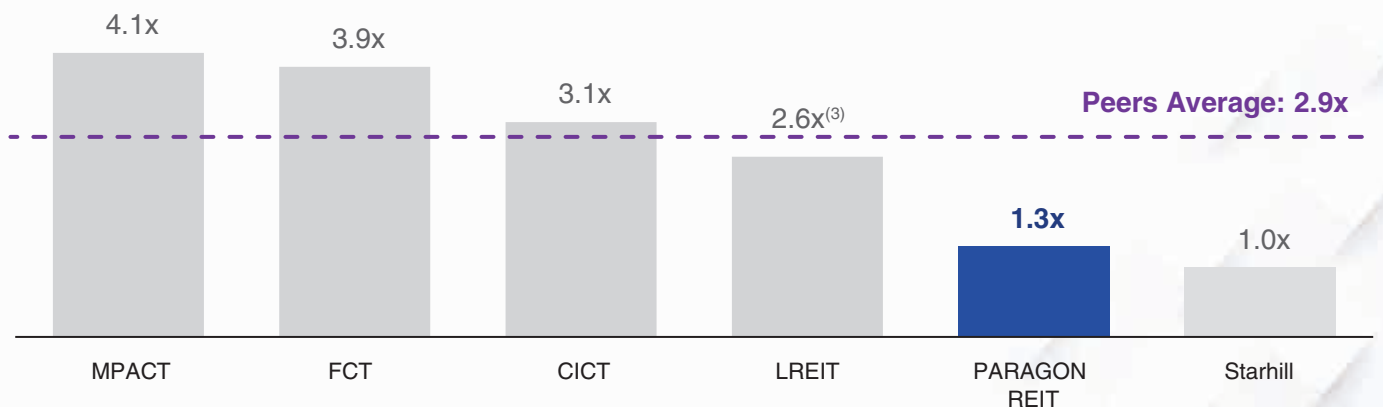
12M Average Daily Trading Volume
(% of Total Units Outstanding)

Analyst Coverage
(# of Analysts)



Which may result in limited ability to access capital markets for portfolio expansion

Retail S-REITs – Total Portfolio Growth Since 2013⁽²⁾



Source: Company Filings, FactSet as at 10 February 2025

(1) PARAGON REIT's free float excludes Units held by Cuscaden Peak and its subsidiaries and is computed based on the free float Units of 1,093 million multiplied by the closing price of the Units on 10 February 2025 of S\$0.890.

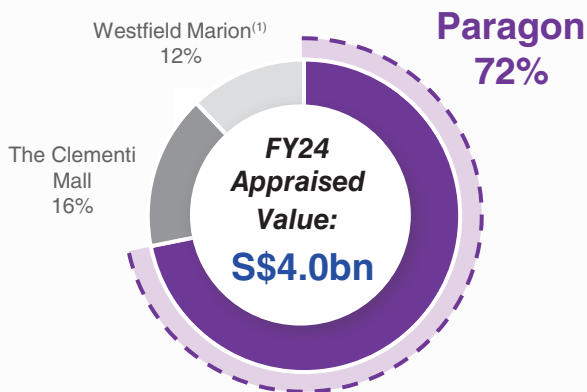
(2) Based on latest total assets disclosed as at 10 February 2025, being the last full trading day immediately prior to the Joint Announcement Date, since PARAGON REIT's IPO in July 2013.

(3) For the period between 31 July 2019 and 10 February 2025.

4 WHAT IS THE RATIONALE FOR THE SCHEME?

B PARAGON REIT's Portfolio Relies Heavily on Paragon, Which is Experiencing Mounting Competition

Paragon Accounts for 72% of Portfolio Value



- PARAGON REIT **owns 3 assets**
- Portfolio is **heavily reliant on Paragon**
- However, the mall is over 30 years old with **no significant AEI in the last 15 years** (since 2009)
- **Surrounding malls undergoing major upgrades and upcoming redevelopments** are expected to **ramp up competition significantly** once completed

Premier Upscale Status Increasingly Challenged by Surrounding Malls



Source: Savills, Company Filings and Press Releases

(1) Represents value of PARAGON REIT's 50% stake in Westfield Marion Shopping Centre.

(2) Renovation and upgrading works agreed to be carried out as part of renewed master lease with Toshin Development in 2023.

4 WHAT IS THE RATIONALE FOR THE SCHEME?

C Major AEI Necessary to Rejuvenate Paragon, but Poses Significant Risks

Offeror expects sizeable capital investment required to rejuvenate Paragon

Est. S\$300-600million⁽¹⁾

for Paragon's GFA, based on precedents (10-21% of Paragon's FY24 Appraised Value)

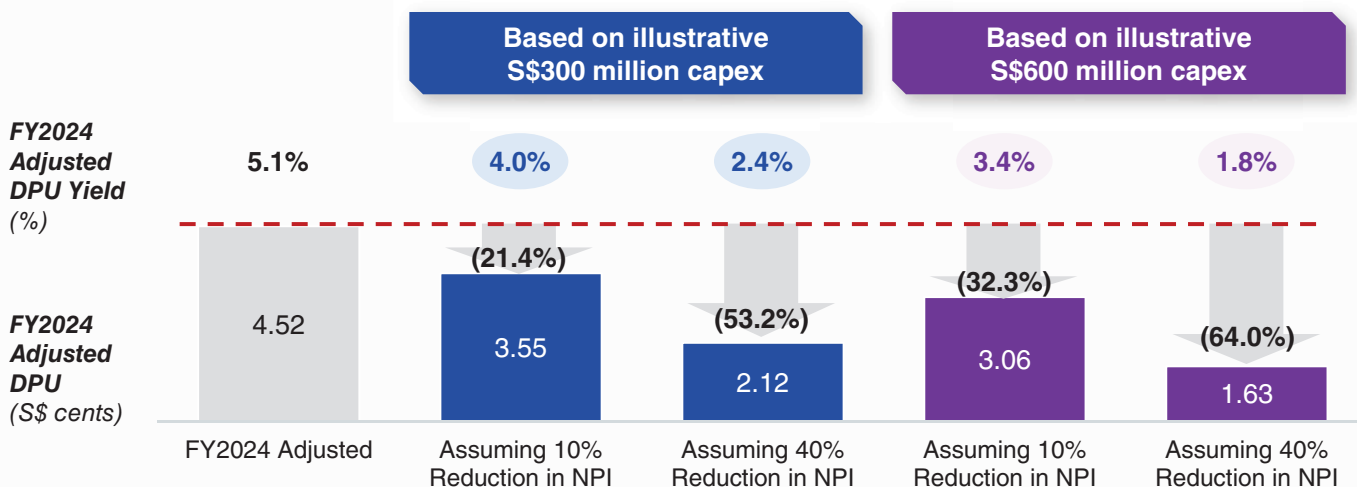
Potentially 3-4 years

to complete, with potential extension subject to approvals and construction delays

- Concepts remain preliminary and subject to cost and timing uncertainties
- No increase in GFA and no change in business use intended

Likely to Impact NPI, DPU and DPU Yield, resulting in Unit price volatility

Illustrative Impact of Potential AEI on FY2024 Adjusted DPU and DPU Yield⁽²⁾



D Scheme Offers Opportunity to Exit at Attractive Scheme Consideration While Avoiding Potential AEI-related Volatility

- **Potential AEI more suitably carried out in a private setting, given potential risks**
 - Unitholders will not bear the associated execution risks and potential volatility on distributable income, DPU and Unit price⁽³⁾
- **If successful, Unitholders can monetise their investment at an attractive Scheme Consideration, and if desired, reinvest in other opportunities**

Source: FactSet as at 10 February 2025

(1) Based on capital expenditure of S\$330 – 590 per square foot of Paragon's gross floor area, which has been derived from office and retail AEI precedents, adjusted for capital expenditure inflation from the year of each AEI to 2026 using the BCA Tender Price Index.

(2) Adjusted for the divestments of The Rail Mall and Figtree Grove Shopping Centre.

(3) Capex for a Potential AEI is assumed to be fully drawn and funded by debt at a financing cost of 4.4% and would collectively result in a decrease in net property income and an increase in interest expenses. This would consequentially reduce PARAGON REIT's distributable income, DPU and DPU Yield.

5 WHAT DOES THE PARAGON IFA RECOMMEND?

Opinion of the Paragon IFA on the Paragon Scheme Resolution

Having considered as at Latest Practicable Date the aforementioned factors set out in this letter and summarised in this section, we are of the opinion that the financial terms of the Scheme are **FAIR AND REASONABLE**. Based on our opinion, we advise the Paragon Independent Directors to recommend that Minority Unitholders **VOTE IN FAVOUR** of the Scheme...

PRIMEⁿ
Partners

**Independent Financial Adviser to
the Paragon Independent Directors and the Paragon Trustee**

IT IS IMPORTANT THAT YOU READ THE ABOVE EXTRACT TOGETHER WITH AND IN THE CONTEXT OF THE PARAGON IFA LETTER, WHICH CAN BE FOUND IN APPENDIX A TO THIS SCHEME DOCUMENT. YOU ARE ADVISED AGAINST RELYING SOLELY ON THIS EXTRACT, WHICH IS ONLY MEANT TO DRAW ATTENTION TO THE OPINION OF THE PARAGON IFA.



6 WHAT DOES THE PARAGON BOARD RECOMMEND?

Recommendation of the Paragon Independent Directors on the Paragon Trust Deed Amendments

“ Having regard to the rationale for the Paragon Trust Deed Amendments, the Paragon Independent Directors are of the opinion that the Paragon Trust Deed Amendments would be beneficial to, and be in the interests of, PARAGON REIT. Accordingly, the Paragon Independent Directors recommend that Unitholders **VOTE IN FAVOUR** of the Paragon Trust Deed Amendments Resolution at the EGM. ”

Paragon Independent Directors

Recommendation of the Paragon Independent Directors on the Scheme

“ ... the Paragon Independent Directors are of the view that the Scheme represents the most attractive and credible option available which, if it becomes effective, delivers immediate deal certainty... by allowing Unitholders to fully monetise their investment in their Units in cash at an attractive Scheme Consideration... The Paragon Independent Directors have considered carefully the terms of the Scheme and the advice given by the Paragon IFA in the Paragon IFA Letter and have taken into account the various factors set out in the Paragon IFA Letter... In light of the foregoing, the Paragon Independent Directors recommend that Minority Unitholders **VOTE IN FAVOUR** of the Paragon Scheme Resolution at the Scheme Meeting. ”

Paragon Independent Directors

IT IS IMPORTANT THAT YOU READ THESE EXTRACTS TOGETHER WITH AND IN THE CONTEXT OF THE LETTER TO UNITHOLDERS, WHICH CAN BE FOUND IN PAGES 25 TO 71 OF THIS SCHEME DOCUMENT. YOU ARE ADVISED AGAINST RELYING SOLELY ON THESE EXTRACTS, WHICH ARE ONLY MEANT TO DRAW ATTENTION TO THE RECOMMENDATIONS OF THE PARAGON INDEPENDENT DIRECTORS.

7 WHAT IS REQUIRED FOR THE SCHEME TO BE APPROVED?

The Scheme is contingent upon the approval of both:
(A) The Paragon Trust Deed Amendments at the EGM, AND
(B) The Paragon Scheme Resolution at the Scheme Meeting

A	EGM	
	Resolution to Amend the Paragon Trust Deed <i>to facilitate implementation of the Scheme</i>	Approval threshold: ≥75% of total number of votes cast

AND

A	SCHEME MEETING	
	Resolution to Approve the Scheme <i>for the privatisation of PARAGON REIT</i>	Approval threshold: >50% of total number of Voting Minority Unitholders ⁽¹⁾ <u>AND</u> ≥75% in value of the Units held by Voting Minority Unitholders ⁽¹⁾

Cuscaden Peak and its subsidiaries own 61.5% in PARAGON REIT, and will abstain from voting at the EGM and the Scheme Meeting

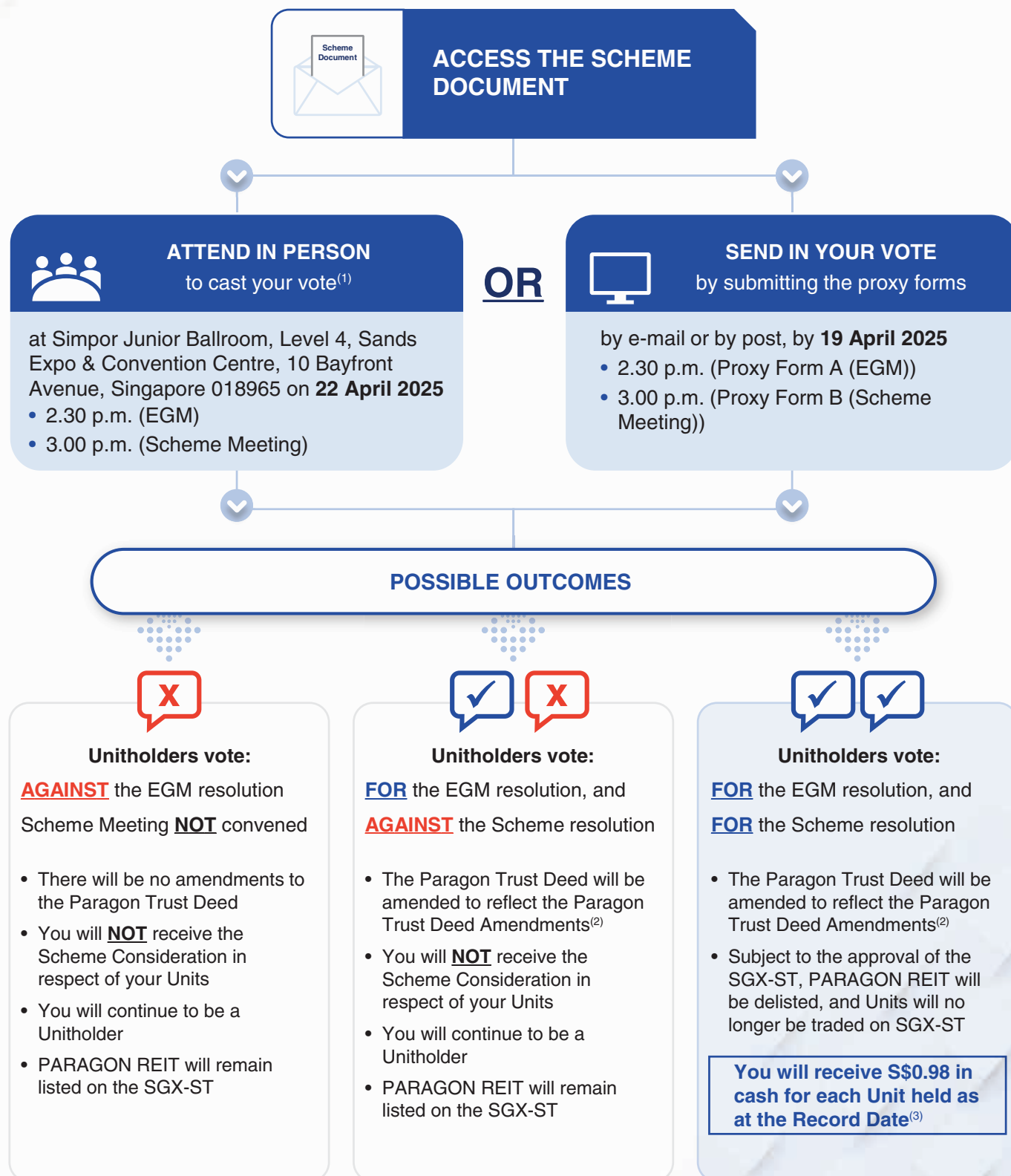
In the event the Scheme is not approved, the Offeror intends to continue to engage with PARAGON REIT to consider an appropriate plan, as it believes that a Potential AEI is critical for Paragon to remain competitive

(1) "Voting Minority Unitholders" means the Minority Unitholders present and voting either in person or by proxy at the Scheme Meeting.

8 HOW DO I VOTE FOR THE EGM AND THE SCHEME?

The EGM and Scheme Meeting are two different meetings of Unitholders to be held on the same day. Each meeting has a separate proxy form, with different instructions and different approval thresholds.

If you wish to appoint a proxy to vote on your behalf for both the EGM and the Scheme Meeting, you are required to **submit BOTH proxy forms**.



(1) For the avoidance of doubt, Unitholders are expected to stay for the duration of the EGM and Scheme Meeting for their votes to be cast in person. Unitholders will not be allowed to submit their proxy forms in person at the EGM and Scheme Meeting given deadline for submission of proxy forms is 19 April 2025.

(2) In the event the Scheme resolution is not passed, the Paragon Trust Deed will still be amended to reflect the Paragon Trust Deed Amendments.

(3) Assuming the Scheme is approved by the Court.

9 WHAT IF I CANNOT ATTEND THE EGM OR SCHEME MEETING?

If you are unable to attend the EGM or the Scheme Meeting in person, you may send in your vote by completing and returning the proxy forms.

A

LOCATE THE PROXY FORMS

Please note that there are **TWO** proxy forms:

- **Proxy Form A (EGM):** White-coloured form
- **Proxy Form B (Scheme Meeting):** Yellow-coloured form

Both proxy forms have been despatched to your mailing address together with the Notice of EGM and the Notice of Scheme Meeting, and can also be obtained from:

Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue
Keppel Bay Tower #14-07
Singapore 098632

Operating hours: Mon-Fri, 8.30 a.m.-5.30 p.m.

An electronic copy of the Proxy Forms is also available on the SGXNet at www.sgx.com/securities/company-announcements and the website of PARAGON REIT at www.paragonreit.com.sg/proposed-privatisation/



B

COMPLETE PROXY FORMS

Proxy Form A (EGM): White-coloured form

- I Fill in your name and particulars.
- II You may fill in the details of the appointee or leave this section blank. The Chairman of the EGM will be the appointee if this section is left blank.
- III If you wish to exercise all your votes “**FOR**”, “**AGAINST**” or to “**ABSTAIN**”, please indicate with a tick within the relevant box provided. Alternatively, please indicate the number of votes as appropriate.
- IV If you are an individual, you or your attorney **MUST SIGN** and indicate the date. If you are a corporation, the proxy form must be executed under your common seal or under the hand of your duly authorised officer or attorney.
- V Indicate the number of Units you hold.

PROXY FORM A

PARAGON REIT Management Pte. Ltd. (Company Registration No. 201305497E)

Note: This Proxy Form A (EGM) may be accessed on SGXNet at <https://www.sgx.com/securities/company-announcements> and from the website of PARAGON REIT at www.paragonreit.com.sg/proposed-privatisation/. Printed copies of this Proxy Form A (EGM) have also been despatched to Unitholders.

PERSONAL DATA PRIVACY: By submitting an instrument appointing a proxy(ies) and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 27 March 2025.

PROXY FORM A (EGM)

IMPORTANT:
1. Unless otherwise defined herein, all capitalised terms used in this Proxy Form A (EGM) shall have the same meanings ascribed to them in the scheme document dated 27 March 2025 issued by PARAGON REIT Management Pte. Ltd. (in its capacity as manager of PARAGON REIT) on behalf of PARAGON REIT to the Unitholders.
2. For persons (including CPFIS Investors and SRS Investors) who hold Units through relevant intermediaries, this Proxy Form A (EGM) is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. Such persons should approach their respective relevant intermediaries as soon as possible to specify voting instructions. CPFIS Investors and SRS Investors who wish to vote at the EGM should approach their respective CPF Agent Banks and SRS Agent Banks as soon as possible by 5.00 p.m. on 10 April 2025, being at least seven (7) Business Days before the date of the EGM.
PLEASE READ THE NOTES OVERLEAF TO THIS PROXY FORM A (EGM).

I, _____ (Name(s))
_____ (NRIC/Passport/Company Registration No.)
_____ (Address)
being a unitholder/unitholders of PARAGON REIT (each, a “Unitholder” and collectively, the “Unitholders”), hereby appoint:
_____ (Name)
_____ (Address)
_____ (NRIC No. / Passport No.)
_____ (Proportion of Units)
_____ (No. of Units) %

and/or (delete as appropriate)
_____ (Name)
_____ (Address)
_____ (NRIC No. / Passport No.)
_____ (Proportion of Units)
_____ (No. of Units) %

or, both of whom failing, the Chairman of the EGM as my/our proxy/proxies to vote for me/us” on my/our” behalf at the extraordinary general meeting (the “EGM”) of Unitholders of PARAGON REIT to be held at Simpor Junior Ballroom, Level 4, Sands Expo & Convention Centre, 10 Bayfront Avenue, Singapore 018956 on 22 April 2025 at 2.30 p.m. and at any adjournment thereof.

I/We” direct my/our” proxy/proxies to vote for or against, or abstain from voting on, the Paragon Trust Deed Amendments Resolution proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, my/our” proxy/proxies will vote or abstain from voting at his/her/their discretion. If no person is named in the above boxes, the Chairman of the EGM shall be my/our” proxy to vote for or against, or to abstain from voting on, the Paragon Trust Deed Amendments Resolution to be proposed at the EGM for me/us” and on my/our” behalf at the EGM and at any adjournment thereof.

Resolution:	No. of Votes For*	No. of Votes Against*	No. of Votes Abstaining*
1. To approve the Paragon Trust Deed Amendments (Extraordinary Resolution)			

Note: Voting will be conducted by poll. If you wish to exercise all your votes “FOR” the Paragon Trust Deed Amendments Resolution, please indicate with a tick (✓) in the box marked “FOR” as set out above. If you wish to exercise all your votes “AGAINST” the Paragon Trust Deed Amendments Resolution, please indicate with a tick (✓) in the box marked “AGAINST” as set out above. If you wish to abstain from voting on the Paragon Trust Deed Amendments Resolution, please indicate with a tick (✓) in the box marked “ABSTAIN” as set out above. Alternatively, please indicate the number of votes as appropriate.

I/We” accordingly
Dated this _____ day of _____ 2025

V Total number of Units held _____

Signature(s) of Unitholder(s)
Common seal of Corporate Unitholder

IMPORTANT: PLEASE READ THE NOTES TO THIS PROXY FORM A (EGM) ON THE NEXT PAGE

9 WHAT IF I CANNOT ATTEND THE EGM OR SCHEME MEETING?

Proxy Form B (Scheme Meeting): Yellow-coloured form

- I Fill in your name and particulars.
 - II You may fill in the details of the appointee or leave this section blank. The Chairman of the Scheme Meeting will be the appointee if this section is left blank.
 - III Indicate your vote in the box labelled “FOR”, “AGAINST” or to “ABSTAIN” with a tick within the relevant box provided.
- DO NOT TICK MORE THAN ONE (1) BOX.**
- IV If you are an individual, you or your attorney **MUST SIGN** and indicate the date. If you are a corporation, the proxy form must be executed under your common seal or under the hand of your duly authorised officer or attorney.
 - V Indicate the number of Units you hold.

PROXY FORM B

PROXY FORM B (SCHEME MEETING)
TRUST SCHEME OF ARRANGEMENT

Between

PARAGON REIT Management Pte. Ltd.
(in its capacity as manager of PARAGON REIT)
(Company Registration No. 201305497E)

DBS Trustee Limited
(in its capacity as trustee of PARAGON REIT)
(Company Registration No. 197502043Q)

And

Unitholders
(as defined herein)

And

Times Properties Private Limited
(Company Registration No. 18590029E)

(Name(s)) _____
(NRIC/Passport/Company Registration No.) _____

I am/We are a unitholder/unitholders of PARAGON REIT (each, a "Unitholder" and collectively, the "Unitholders"), hereby appoint _____ (Name(s)) _____ (NRIC/Passport/Company Registration No.) _____ (Address) _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Scheme Meeting to be held at **Singapore Junior Ballroom, Level 4, Sands Expo & Convention Centre, 10 Bayfront Avenue, Singapore 018956 on 22 April 2025 at 3.00 p.m.** (or as soon thereafter following the conclusion of the extraordinary general meeting of the Unitholders to be held at 2.30 p.m. on the same day and at the same venue) and at any adjournment thereof.

II I/We direct my/our proxy to vote for or against, or abstain from voting on, the Paragon Scheme Resolution to be proposed at the Scheme Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Scheme Meeting and at any adjournment thereof, my/our proxy will vote or abstain from voting at his/her/their discretion. If no person is named in the above boxes, the Chairman of the Scheme Meeting shall be my/our proxy to vote, for or against, abstain from voting on, the Paragon Scheme Resolution to be proposed at the Scheme Meeting, for me/us and on my/our behalf at the Scheme Meeting and at any adjournment thereof.

Resolution	No. of Votes For	No. of Votes Against	No. of Votes Abstaining
1 To approve the Paragon Scheme Resolution			

NOTE: Voting will be conducted by poll.

If you are a Unitholder which is not a relevant intermediary:
You may appoint only **ONE (1) PROXY** to attend and vote in your stead, and may only cast all the votes you use in the Scheme Meeting **IN ONE (1) WAY**. If you wish to exercise all your votes "FOR" the Paragon Scheme Resolution, please indicate with a tick (✓) in the box marked "FOR" as set out above. If you wish to exercise all your votes "AGAINST" the Paragon Scheme Resolution, please indicate with a tick (✓) in the box marked "AGAINST" as set out above. If you wish to abstain from voting on the Paragon Scheme Resolution, please indicate with a tick (✓) in the box marked "ABSTAIN" as set out above. **DO NOT TICK MORE THAN ONE (1) BOX.**

If you are a Unitholder which is a relevant intermediary:
Please indicate (i) the number of votes "FOR" or "AGAINST" your proxy is directed to cast in the "FOR" or "AGAINST" boxes as above in respect of the Paragon Scheme Resolution, and (ii) the number of Units your proxy is directed to abstain from in the "ABSTAIN" box provided in respect of the Paragon Scheme Resolution accordingly.

IV I/We signed this _____ day of _____ 2025

V Total number of Units held _____

Signature(s) of Unitholder(s) _____
Common seal of Corporate Unitholder _____

IMPORTANT: PLEASE READ NOTES TO THIS PROXY FORM B (SCHEME MEETING) ON NEXT PAGE

C RETURN THE COMPLETED PROXY FORMS

The proxy forms must reach the Unit Registrar **NO LATER THAN 19 April 2025 at 2.30 p.m.** (for Proxy Form A (EGM)) **and 3.00 p.m.** (for Proxy Form B (Scheme Meeting)), being 72 hours before the respective meetings:

- I **By E-mail**
Scan and send the completed and signed proxy forms via e-mail to srs.proxy@boardroomlimited.com
- II **By Post**
Return the completed and signed proxy forms in the pre-addressed envelopes:



REMINDER!

If you wish to appoint a proxy to vote on your behalf for both the EGM and the Scheme Meeting, you are required to **submit BOTH proxy forms.**

10 IMPORTANT DATES AND TIMES

Latest date and time for lodgement of proxy forms:

Proxy Form A (EGM): 2.30 p.m., 19 April 2025

Proxy Form B (Scheme Meeting): 3.00 p.m., 19 April 2025

Details of EGM and Scheme Meeting:

EGM: 2.30 p.m., 22 April 2025

Scheme Meeting: 3.00 p.m., 22 April 2025 (or as soon thereafter following the conclusion of the EGM)

Simpor Junior Ballroom
Level 4, Sands Expo & Convention Centre
10 Bayfront Avenue, Singapore 018956

Expected Effective Date:

26 May 2025

Expected date for payment of the Scheme Consideration:

4 June 2025

11 IMPORTANT INFORMATION

How do I find out the number of Units I own?

You can check your PARAGON REIT Unitholdings with CDP through your online CDP account or by contacting them at:

1

The Central Depository

9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588
Telephone: +65 6535 7511
Fax: +65 6535 0775

Opening hours

Monday to Friday: 8.30 a.m. to 5.00 p.m.
Saturday: 8.30 a.m. to 12.00 p.m.
Closed on Sundays & Public Holidays

2

If you own PARAGON REIT Units through a bank, broker or any other intermediaries, you can also check by contacting them directly.

3

If you are a CPFIS Investor or SRS Investor, please consult your CPF Agent Bank or SRS Agent Bank for further information.

Who should I contact if I need help?

If you require further assistance or information, please contact:

PARAGON REIT Investor Relations

Lee Hoong Chun
Head of Investor Relations
Email: ir@paragonreit.com.sg
Telephone: +65 6631 8987

Financial Adviser to Paragon Manager

**Morgan Stanley Asia
(Singapore) Pte.
Investment Banking**
Telephone: +65 6834 7215

Financial Adviser to the Offeror

**Citigroup Global Markets
Singapore Pte. Ltd.
Investment Banking**
Telephone: +65 6657 8017

THE INFORMATION PRESENTED IN THIS SECTION IS QUALIFIED IN ITS ENTIRETY BY, AND SHOULD BE READ IN CONJUNCTION WITH, THE FULL INFORMATION CONTAINED IN THE REST OF THIS SCHEME DOCUMENT. IF THERE SHOULD BE ANY INCONSISTENCY OR CONFLICT BETWEEN THE INFORMATION CONTAINED IN THIS SECTION AND THE INFORMATION CONTAINED IN THE REST OF THIS SCHEME DOCUMENT, THE INFORMATION CONTAINED IN THE REST OF THIS SCHEME DOCUMENT SHALL PREVAIL. NOTHING IN THIS SECTION IS INTENDED TO BE, OR SHALL BE TAKEN AS, ADVICE, A RECOMMENDATION OR AN OFFER TO, OR A SOLICITATION OF, ANY UNITHOLDER OR ANY OTHER PARTY. UNITHOLDERS ARE ADVISED TO BE CAUTIOUS WHEN DEALING IN THEIR UNITS AND NOT TO TAKE ANY ACTION IN RELATION TO THEIR UNITS WHICH MAY NOT PROVE TO BE IN THEIR BEST INTERESTS.

TABLE OF CONTENTS

DEFINITIONS	3
FORWARD-LOOKING STATEMENTS	20
EXPECTED TIMETABLE	21
CORPORATE INFORMATION	23
LETTER TO UNITHOLDERS	25
1. INTRODUCTION	25
2. INFORMATION ON TPPL AND CPI	29
3. INFORMATION ON PARAGON REIT AND THE PARAGON MANAGER	30
4. RATIONALE FOR THE SCHEME AND OFFEROR'S FUTURE INTENTIONS FOR PARAGON REIT	31
5. KEY TERMS OF THE SCHEME	38
6. THE PARAGON TRUST DEED AMENDMENTS	46
7. APPROVALS REQUIRED IN RESPECT OF THE SCHEME	47
8. DELISTING	49
9. CONFIRMATION OF FINANCIAL RESOURCES	50
10. FEES	50
11. EGM	50
12. SCHEME MEETING	50
13. IMPLEMENTATION OF THE SCHEME	51
14. VALUATION OF THE PARAGON PROPERTIES	54
15. ACTION TO BE TAKEN BY UNITHOLDERS	55
16. ELECTRONIC DESPATCH OF THE SCHEME DOCUMENT	60
17. INDEPENDENT FINANCIAL ADVISER TO THE PARAGON INDEPENDENT DIRECTORS AND THE PARAGON TRUSTEE	60
18. INDEPENDENCE OF THE PARAGON DIRECTORS	64
19. RECOMMENDATIONS BY THE PARAGON INDEPENDENT DIRECTORS	64

TABLE OF CONTENTS

20. VOTING ON THE PARAGON TRUST DEED AMENDMENTS RESOLUTION AND THE PARAGON SCHEME RESOLUTION	66
21. CLOSURE OF BOOKS	67
22. SETTLEMENT AND REGISTRATION PROCEDURES	67
23. OVERSEAS UNITHOLDERS	68
24. RESPONSIBILITY STATEMENT	70
25. GENERAL INFORMATION	71
APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME	A-1
APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS	B-1
APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT	C-1
APPENDIX D – PARAGON TRUST DEED AMENDMENTS	D-1
APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED	E-1
APPENDIX F – VALUATION CERTIFICATES	F-1
APPENDIX G – SCHEME CONDITIONS	G-1
APPENDIX H – TPPL PRESCRIBED OCCURRENCES	H-1
APPENDIX I – PARAGON PRESCRIBED OCCURRENCES	I-1
APPENDIX J – TPPL WARRANTIES	J-1
APPENDIX K – PARAGON WARRANTIES	K-1
APPENDIX L – TPPL’S OBLIGATIONS	L-1
APPENDIX M – PARAGON REIT’S OBLIGATIONS	M-1
APPENDIX N – MANNER OF CONVENING SCHEME MEETING	N-1
APPENDIX O – THE SCHEME	O-1
APPENDIX P – NOTICE OF EXTRAORDINARY GENERAL MEETING	P-1
APPENDIX Q – NOTICE OF SCHEME MEETING	Q-1

DEFINITIONS

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

- “12M FY2022”** : The 12-month period ended 31 December 2022
- “2H FY2024”** : The six (6)-month period ended 31 December 2024
- “2H FY2024 Distribution”** : The distribution of 2.33 Singapore cents for each Unit in cash in respect of 2H FY2024 announced by the Paragon Manager on the Joint Announcement Date
- “Affiliates”** : (a) With respect to TPPL, shall mean CP and entities Controlled by CP, but excluding the Paragon Manager (acting in its capacity as manager of PARAGON REIT), any entity Controlled by the Paragon Manager (acting in its capacity as manager of PARAGON REIT), PARAGON REIT and any entity Controlled by PARAGON REIT;
- (b) with respect to the Paragon Manager (acting in its capacity as manager of PARAGON REIT), shall mean PARAGON REIT, any entity Controlled by PARAGON REIT and any entity Controlled by the Paragon Manager (acting in its capacity as manager of PARAGON REIT);
- (c) with respect to the Paragon Trustee, its Affiliates shall only refer to Affiliates (as defined under paragraph (d) below) of the Paragon Trustee (in its capacity as trustee of PARAGON REIT), and for the avoidance of doubt, shall not refer to Affiliates (as defined under paragraph (d) below) of DBS Trustee Limited in its personal capacity;
- (d) with respect to any other Person that is a legal entity, another entity that, directly or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with such entity; and
- (e) with respect to any individual, any of his or her Associates
- “Associates”** : With respect to any individual:
- (a) his or her (i) parent, (ii) spouse, (iii) child, (iv) siblings and (v) spouse and children of siblings (collectively, **“Relatives”**); and

DEFINITIONS

		(b) any company, trust or other entity which such individual or any of his Relatives, individually or in the aggregate, has a majority beneficial interest in or otherwise Controls (and, for the purpose of this definition, a trust is Controlled by one or more Persons if his or their wishes shall generally be adhered to by the relevant trustees)
“AUD”	:	Australian dollars, being the lawful currency of Australia
“Average Price/Paragon Adjusted NAV”	:	The ratios of (i) the daily market prices of PARAGON REIT during the one (1)-year, three (3)-year and five (5)-year periods (as the case may be) against (ii) the daily NAV of PARAGON REIT adjusted for any accrued but unpaid dividends, averaged across a period of one (1) year, three (3) years and five (5) years, respectively
“Business Day”	:	A day (other than Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore for the transaction of normal banking business
“Cash Ledger”	:	Has the meaning ascribed to it in CDP’s <i>“The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions”</i> as amended, modified or supplemented from time to time, copies of which are available from CDP
“CDP”	:	The Central Depository (Pte) Limited
“CICT”	:	CapitaLand Integrated Commercial Trust
“Code”	:	The Singapore Code on Take-overs and Mergers
“Companies Act”	:	Companies Act 1967 of Singapore
“Competing Offer”	:	Any expression of interest, offer or proposal by any Person, acting together with its concert parties, other than TPPL involving: (a) a sale, conveyance, transfer, assumption or other disposal of any direct or indirect interest in some or all of the Units exceeding 5% of all the Units, whether in a single transaction or series of related transactions;

DEFINITIONS

- (b) an allotment or issuance of the Units or securities in any Paragon Group Entity (or Convertible Securities in respect of such Units or securities) in each case exceeding 5% of all the Units or such securities, as the case may be, immediately after such allotment or issuance, whether in a single transaction or series of related transactions;
- (c) a Material Disposal of any real property, assets or securities in any Paragon Group Entity;
- (d) an offer (whether partial or otherwise) regulated under the Code for the Units;
- (e) a scheme of arrangement involving PARAGON REIT or any Paragon Group Entity or the merger of PARAGON REIT or any Paragon Group Entity with any other entity (whether by way of joint venture, reverse takeover bid, dual listed company structure, stapling or otherwise) provided that, in the case of any Paragon Group Entity (other than PARAGON REIT), such scheme of arrangement or merger is material to the Paragon Group (taken as a whole);
- (f) any agreement or other arrangement intended to achieve or having an effect similar to any of paragraphs (a) to (e); or
- (g) a transaction or series of related transactions which would, or is reasonably likely to, preclude, restrict or frustrate, or delay or impede, the Scheme

- “Control”** : The possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of securities, by contract or otherwise, and **“Controlled by”**, **“Controlling”** and **“under common Control with”** shall be construed accordingly
- “Convertible Securities”** : In relation to any share or unit in the capital of any corporation or trust, any option, right, warrant or other securities exercisable into, convertible into or redeemable with any such shares or units, whether in whole or in part
- “Court”** : The General Division of the High Court of the Republic of Singapore or where applicable on appeal, the Appellate Division of the High Court of the Republic of Singapore and/or the Court of Appeal of the Republic of Singapore

DEFINITIONS

“CP” or “Cuscaden Peak”	:	Cuscaden Peak Pte. Ltd. (Company Registration No. 202135018H), a company incorporated in the Republic of Singapore and having its registered office at 88 Market Street #40-01, CapitaSpring, Singapore 048948
“CPF”	:	The Central Provident Fund of Singapore
“CPF Agent Banks”	:	Agent banks included under the CPFIS
“CPFIS”	:	CPF Investment Scheme
“CPFIS Investors”	:	Investors who purchased Units using their CPF savings under the CPFIS
“CPI”	:	Cuscaden Peak Investments Private Limited (Company Registration No. 198402868E), a company incorporated in the Republic of Singapore and having its registered office at 88 Market Street #40-01, CapitaSpring, Singapore 048948
“Cuscaden Peak Group”	:	CP and its subsidiaries (including TPPL)
“Disclosure Cut-Off Date”	:	7 February 2025
“Disclosure Letter”	:	The letter dated 11 February 2025 from the Paragon Trustee and the Paragon Manager to TPPL, on a private and confidential basis, disclosing: (a) information constituting exceptions to the Paragon Warranties; (b) information constituting exceptions to the Paragon Prescribed Occurrences; and (c) details of other matters referred to in the Implementation Agreement
“DPU”	:	Distribution per Unit
“Effective Date”	:	The date on which the Scheme becomes effective in accordance with its terms
“EGM”	:	The extraordinary general meeting of the Unitholders to be convened immediately prior to the Scheme Meeting

DEFINITIONS

“Excess Distribution”	:	Any distribution in excess of the 2H FY2024 Distribution declared, made or paid by the Paragon Manager on or after the Joint Announcement Date
“Excluded Disposal(s)”	:	Any and all sale, conveyance, transfer, assumption or disposal(s) (a) arising from any written notice of compulsory acquisition or intended acquisition by any Governmental Authority affecting any real property, assets or any part thereof to any extent or measure; and/or (b) which have been notified, prior to the date of the Implementation Agreement, to TPPL as a potential transaction which PARAGON REIT is contemplating or in the process of undertaking (including but not limited to the Figtree Disposal)
“Exclusivity Period”	:	The period commencing on the Joint Announcement Date and ending on the earliest of (a) the termination of the Implementation Agreement in accordance with its terms; (b) the Scheme Settlement Date; and (c) the Long-Stop Date
“Extraordinary Resolution”	:	A resolution proposed and passed as such by a majority of the Unitholders consisting of 75% or more of the total number of votes cast for and against such resolution at a meeting of the Unitholders
“FCT”	:	Frasers Centrepoint Trust
“Figtree Disposal”	:	The disposal of Figtree Grove Shopping Centre which was completed on 31 January 2025 as disclosed in the announcement on the SGXNet by the Paragon Manager dated 31 January 2025
“FRS”	:	Singapore Financial Reporting Standards
“FY2022”	:	The 16-month period ended 31 December 2022
“FY2023”	:	Financial year ended 31 December 2023
“FY2024”	:	Financial year ended 31 December 2024
“GFA”	:	Gross floor area
“Governmental Authority”	:	Any supranational, national, federal, state, municipal or local court, administrative, regulatory, fiscal or judicial agency, authority, body, commission, department, exchange, tribunal or entity, or other governmental, semi-governmental or quasi-governmental entity or authority, or any securities exchange, wherever located

DEFINITIONS

“Headcount Condition”	:	In relation to the Paragon Scheme Resolution, the Paragon Scheme Resolution being passed by a majority in number of the Minority Unitholders
“Implementation Agreement”	:	The implementation agreement dated 11 February 2025 entered into between TPPL, the Paragon Trustee and the Paragon Manager setting out the terms and conditions on which the Scheme will be implemented
“IPO”	:	Initial public offering
“Joint Announcement”	:	The joint announcement by TPPL and the Paragon Manager of the proposed Scheme released on 11 February 2025
“Joint Announcement Date”	:	11 February 2025, being the date of the Joint Announcement
“Last Transacted Price”	:	The last traded price per Unit of S\$0.8900 on 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date
“Latest Practicable Date”	:	20 March 2025, being the latest practicable date prior to the printing of this Scheme Document
“Letter to Unitholders”	:	The letter from the Paragon Manager to the Unitholders as set out on pages 25 to 71 of this Scheme Document
“Listing Manual”	:	The listing manual of the SGX-ST
“Long-Stop Date”	:	11 August 2025, being the date falling six (6) months from the date of the Implementation Agreement (or such other date as the Parties may agree in writing)
“LREIT”	:	Lendlease Global Commercial REIT
“Market Day”	:	A day on which the SGX-ST is open for the trading of securities
“MAS”	:	Monetary Authority of Singapore

DEFINITIONS

“Material Acquisition”	:	Any acquisition of any real property, assets or securities in any entity, partnership or trust for an aggregate consideration which, individually or when aggregated with any and all other related acquisitions on or after the date of the Implementation Agreement by any Paragon Group Entity, exceeds S\$150 million, it being understood that the “ aggregate consideration ” for an acquisition is the value of the property(ies) as agreed between the parties to the acquisition which forms the basis of the consideration for the acquisition (including where the acquisition is by way of securities in any entity, partnership or trust, the value of the property(ies) held by such entity, partnership or trust)
“Material Disposal”	:	Any sale, conveyance, transfer, assumption or disposal (“ disposal ”) of any real property, assets or securities in any entity, partnership or trust excluding any Excluded Disposal(s) by any Paragon Group Entity, the carrying value of which in the PARAGON REIT FY2024 Financial Statements, individually or when aggregated with the carrying value of other real property, assets or securities in the PARAGON REIT FY2024 Financial Statements disposed of in any and all other related disposals on or after the date of the Implementation Agreement (excluding any Excluded Disposal), exceeds S\$150 million (or its equivalent in other currencies)
“Minority Unitholders”	:	Unitholders other than the Cuscaden Peak Group
“MPACT”	:	Mapletree Pan Asia Commercial Trust
“NAV”	:	Net asset value
“Notice of EGM”	:	The notice of the EGM as set out in Appendix P to this Scheme Document
“Notice of Scheme Meeting”	:	The notice of the Scheme Meeting as set out in Appendix Q to this Scheme Document
“Notices and Proxy Forms”	:	(a) The Notice of EGM; (b) the Notice of Scheme Meeting; (c) the Proxy Form A (EGM); and (d) the Proxy Form B (Scheme Meeting)

DEFINITIONS

“Occupation Agreements”	:	All accepted letters of offer, leases, tenancies, letting arrangements, options for renewals, occupation agreements and licences and any other agreements or options of whatever kind (including any side letters, supplemental agreements or variations relating thereto, if any) in relation to the use, occupation or possession of the Paragon Properties or any part(s) thereof, as the case may be, and “Occupation Agreement” means any one of them
“Offer”	:	A voluntary general offer for or on behalf of TPPL to acquire all of the Units held by the Minority Unitholders on the terms and subject to the conditions which will be set out in the offer document issued for or on behalf of TPPL
“Offeror” or “TPPL”	:	Times Properties Private Limited (Company Registration No. 195900026E), a company incorporated in the Republic of Singapore and having its registered office at 135 Cecil Street, #10-01, Philippine Airlines Building, Singapore 069536
“Offeror’s Letter”	:	The letter from the Offeror to the Unitholders as set out in Appendix B to this Scheme Document
“Overseas Unitholders”	:	Unitholders whose registered addresses (as recorded in the Register of Unitholders or in the records maintained by CDP for the service of notice and documents) are outside Singapore
“Paragon”	:	Paragon, a premier upscale retail mall and medical suite and office property located at 290 Orchard Road, Singapore 238859
“Paragon Adjusted NAV”	:	PARAGON REIT’s NAV per Unit as at 31 December 2024, adjusted for the 2H FY2024 Distribution
“Paragon Directors”	:	The directors for the time being of the Paragon Manager
“Paragon Group”	:	PARAGON REIT, its subsidiaries, and any trusts and limited liability partnerships in which PARAGON REIT and/or its subsidiaries hold an interest (excluding any trusts listed on a stock exchange), and each entity in the Paragon Group shall be referred to as a “Paragon Group Entity”

DEFINITIONS

- “Paragon IFA”** : PrimePartners Corporate Finance Pte. Ltd., the independent financial adviser appointed pursuant to Rule 1309(2) of the Listing Manual, as well as pursuant to the Code and the rulings and confirmations of the SIC in respect of the Scheme to advise (i) the Paragon Independent Directors for the purposes of making a recommendation to the Minority Unitholders in connection with the Scheme; and (ii) the Paragon Trustee on the Scheme
- “Paragon IFA Letter”** : The letter dated 27 March 2025 setting out the advice of the Paragon IFA to the Paragon Independent Directors and to the Paragon Trustee in respect of the Scheme, as set out in **Appendix A** to this Scheme Document
- “Paragon Independent Directors”** : The Paragon Directors who are considered independent for the purposes of the Scheme, namely all the Paragon Directors excluding the Relevant Directors
- “Paragon Manager”** : PARAGON REIT Management Pte. Ltd. (Company Registration No. 201305497E), in its capacity as manager of PARAGON REIT, whose registered office is at 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859
- “Paragon Material Adverse Effect”** : Any one or more fact, matter, event, circumstance, condition, effect, occurrence or change (including, for the avoidance of doubt, any and all sale, conveyance, transfer, assumption or disposal(s) arising from any written notice of compulsory acquisition or intended acquisition by any Governmental Authority affecting any real property, assets or any part thereof to any extent or measure) which, whether individually or in the aggregate, has or have the effect of causing:
- (a) a diminution in the consolidated net tangible assets of the Paragon Group by more than S\$267.5 million, being 10% of the consolidated net tangible assets of the Paragon Group of S\$2,674.8 million as at 31 December 2024 as stated in the PARAGON REIT FY2024 Financial Statements, as determined by reference to (i) the latest publicly released unaudited consolidated financial statements of the Paragon Group, or (ii) the latest available unaudited consolidated monthly management balance sheet of the Paragon Group for the calendar month-end falling prior to the Relevant Date, in each case, prepared using the same accounting policies, procedures, practices and method of computation applied in the PARAGON REIT FY2024 Financial Statements; or

DEFINITIONS

- (b) a diminution in the consolidated revenue of the Paragon Group by more than S\$30.1 million (being 10% of the consolidated revenue of the Paragon Group of S\$301.0 million for FY2024, as stated in the PARAGON REIT FY2024 Financial Statements), as determined by reference to the last 12-month revenue based on (i) the latest publicly released unaudited consolidated financial statements of the Paragon Group, or (ii) the latest available unaudited consolidated monthly management income statements of the Paragon Group for the 12-month period ending on the calendar month-end falling prior to the Relevant Date, in each case, prepared using the same accounting policies, procedures, practices and method of computation applied in the PARAGON REIT FY2024 Financial Statements, provided that the effects and/or consequences arising from or in connection with the following items shall not be taken into account in determining the diminution in the consolidated revenue: (A) any disposal which was announced and/or completed in FY2024 (including but not limited to the Figtree Disposal); (B) any disposal of assets approved by TPPL; (C) any rent reduction due to leasing vacancies arising from tenant remix approved by TPPL; and (D) asset enhancement initiatives approved by TPPL and the Paragon Directors.

For the avoidance of doubt, none of (1) the distributions which have been paid to the Unitholders prior to the date of the Implementation Agreement or the 2H FY2024 Distribution; and (2) any and all sale, conveyance, transfer, assumption or disposal(s) which have been announced or notified in writing to TPPL, prior to the date of the Implementation Agreement, as a potential transaction which PARAGON REIT is contemplating or in the process of undertaking (including but not limited to the Figtree Disposal) shall be taken into account in determining if there has been a Paragon Material Adverse Effect

“Paragon NPI” : Net property income of Paragon

“Paragon Prescribed Occurrence” : Means any of the events or matters set out in **Appendix I** to this Scheme Document

DEFINITIONS

“Paragon Properties”	:	The properties listed in the announcement titled “ <i>Notice of Valuation of Real Assets: Valuation of Paragon, The Clementi Mall and Westfield Marion</i> ” released by the Paragon Manager on the SGXNet on 11 February 2025, and “ Paragon Property ” means any one of them
“PARAGON REIT”	:	The PARAGON REIT (SGX: SK6U), a REIT listed on the Mainboard of the SGX-ST
“PARAGON REIT FY2024 Financial Statements”	:	The audited consolidated financial statements with respect to the Paragon Group for FY2024
“Paragon Scheme Resolution”	:	The resolution at the Scheme Meeting to be convened to approve the Scheme
“Paragon Securities”	:	(a) Units; and (b) convertible securities, warrants, options or derivatives in respect of such Units or other securities (if any) which carry voting rights in PARAGON REIT
“Paragon Trust Deed”	:	The Deed of Trust dated 9 July 2013 constituting PARAGON REIT (formerly known as SPH REIT) entered into between the Paragon Manager and the Paragon Trustee, as supplemented by a first supplemental deed dated 7 November 2016, a second supplemental deed dated 6 January 2017, a third supplemental deed dated 29 July 2022, a fourth supplemental deed dated 3 January 2023, a fifth supplemental deed dated 28 February 2025 and as may be amended, supplemented or varied from time to time (including as may be amended by the Paragon Trust Deed Amendments)
“Paragon Trust Deed Amendments”	:	The proposed amendments to the Paragon Trust Deed to facilitate the implementation of the Scheme
“Paragon Trust Deed Amendments Resolution”	:	The extraordinary resolution of the Unitholders to approve the Paragon Trust Deed Amendments
“Paragon Trustee”	:	DBS Trustee Limited (Company Registration No. 197502043G), in its capacity as trustee of PARAGON REIT, whose registered office is at 12 Marina Boulevard, Marina Bay Financial Centre Tower 3, Singapore 018982
“Paragon Warranties”	:	The warranties given severally (and neither jointly nor jointly and severally) by the Paragon Manager and the Paragon Trustee set out in Appendix K to this Scheme Document

DEFINITIONS

“Parties”	:	TPPL, the Paragon Trustee and the Paragon Manager, and “Party” means any one of them
“Person”	:	Any individual, company, corporation, general partnership, limited partnership, trust or other entity, organisation or unincorporated association, wherever constituted or located and whether or not having separate legal personality, including any Governmental Authority
“Potential AEI”	:	The potential rejuvenation of Paragon through a significant asset enhancement initiative
“Price/Paragon Adjusted NAV”	:	The ratio of (i) the Scheme Consideration against (ii) the Paragon Adjusted NAV
“Price/Peer Adjusted NAV”	:	The ratio of (i) the market prices of the Retail S-REIT Peers as at 10 February 2025 against (ii) the NAVs of Retail S-REIT Peers, adjusted for any accrued but unpaid dividends
“Price/Precedent Privatisations Adjusted NAV”	:	The ratio of (i) the applicable consideration of precedent privatisations of property trusts and REIT mergers with all-cash options as consideration against (ii) the NAVs of said precedent privatisations, adjusted for any accrued but unpaid dividends ¹
“Property Funds Appendix”	:	Appendix 6 (Property Funds Appendix) of the Code on Collective Investment Schemes issued by the MAS
“Proxy Form A (EGM)”	:	The accompanying proxy form for use at the EGM
“Proxy Form B (Scheme Meeting)”	:	The accompanying proxy form for use at the Scheme Meeting
“PUA Scheme”	:	The performance unit award scheme of the Paragon Manager
“RAP 7”	:	The Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts”

¹ The precedent privatisations of property trusts and REIT mergers with all-cash options as consideration are: (a) the merger and privatisation of Mapletree North Asia Commercial Trust announced in December 2021 (choice of all scrip/cash-and-scrip/all cash consideration); (b) the privatisation of Soilbuild Business Space REIT announced in December 2020 (all cash consideration); (c) the privatisation of Accordia Golf Trust announced in June 2020 (all cash consideration); (d) the privatisation of RHT Health Trust announced in November 2017 (all cash consideration); (e) the privatisation of Croesus Retail Trust announced in June 2017 (all cash consideration); (f) the privatisation of Saizen Trust announced in October 2015 (all cash consideration); and (g) the privatisation of Forterra Trust announced in November 2014 (all cash consideration). Please refer to pages A-47 to A-52 of the Paragon IFA Letter for further details on the precedent transactions.

DEFINITIONS

“Record Date”	:	The date to be announced (before the Effective Date) by the Paragon Manager on which the Register of Unitholders will be closed in order to determine the entitlements of the Minority Unitholders in respect of the Scheme
“Register of Unitholders”	:	The register showing all Units at any one time
“Registers”	:	The Register of Unitholders and the Depository Register
“REIT”	:	Real estate investment trust
“Relevant Date”	:	The date falling on the Business Day immediately preceding the Effective Date
“Relevant Directors”	:	Mr. Yong Choon Miao, Gerald, Ms. Lim May Ling Ginney, Mr. Eugene Paul Lai Chin Look, Ms. Chua Kheng Yeng, Jennie and Ms. Hoo Sheau Farn
“Representative”	:	With respect to any Person, any director, officer, employee, representative or agent of such Person
“Request Form”	:	The request form for Unitholders to request for a printed copy of this Scheme Document
“Retail S-REIT Peers”	:	S-REITs with a predominantly retail portfolio, being CICT, MPACT, FCT, LREIT and Starhill ²
“Rules of Court”	:	The Rules of Court 2021 of Singapore
“S\$” and “Singapore cents” or “cents”	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
“S-REIT”	:	Singapore REIT
“Scheme”	:	The proposed privatisation of PARAGON REIT, which will be effected through the acquisition by TPPL of all the Units held by the Minority Unitholders, by way of a trust scheme of arrangement
“Scheme Conditions”	:	The conditions precedent set out in the Implementation Agreement and reproduced in Appendix G to this Scheme Document
“Scheme Consideration”	:	S\$0.9800 in cash for each Unit held by each of the Minority Unitholders as at the Record Date

² These retail S-REIT peers were selected as comparables, as their underlying retail exposure represents more than 35% of the total portfolio value for each of the S-REIT, with a sizeable exposure to Singapore. In comparison, PARAGON REIT’s Singapore retail malls, being Paragon and The Clementi Mall, represent approximately 88% of PARAGON REIT’s total portfolio value.

DEFINITIONS

“Scheme Court Order”	:	The order of the Court sanctioning the Scheme under Order 32 of the Rules of Court
“Scheme Document”	:	This document issued by the Paragon Manager on behalf of PARAGON REIT to all Unitholders setting out detailed information on the Scheme and the terms and conditions upon which the Scheme will be implemented by the Paragon Manager and TPPL
“Scheme Meeting”	:	The meeting of the Minority Unitholders to be convened immediately following the conclusion of the EGM, pursuant to the Scheme Meeting Court Order to approve the Scheme and any adjournment thereof
“Scheme Meeting Court Order”	:	The order of the Court dated 12 March 2025 convening the Scheme Meeting
“Scheme Settlement Date”	:	The date falling not later than seven (7) Business Days after the Effective Date
“Securities Account”	:	The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SFA”	:	Securities and Futures Act 2001 of Singapore
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNet”	:	Singapore Exchange Network
“SIC”	:	Securities Industry Council of Singapore
“SIC Public Statement on Electronic Despatch”	:	The Public Statement on the Further Extension of the Temporary Measure to Allow for Electronic Despatch of Take-Over Documents under the Code issued by the SIC on 29 June 2021
“SRS”	:	Supplementary Retirement Scheme
“SRS Agent Banks”	:	Agent banks included under the SRS
“SRS Investors”	:	Investors who have purchased Units using their SRS contributions pursuant to the SRS
“Starhill”	:	Starhill Global REIT

DEFINITIONS

“Superior Competing Offer”	:	<p>A <i>bona fide</i> Competing Offer that the Paragon Directors (who are considered independent for the purposes of such <i>bona fide</i> Competing Offer, acting in good faith and after taking advice from their legal and financial advisers), are of the reasonable opinion is:</p> <p>(a) of a higher financial value and more favourable to the Unitholders than (i) the Scheme; or (ii) if the Switch Option is exercised, the prevailing Offer made by TPPL; and</p> <p>(b) reasonably capable of being completed, including its conditions,</p> <p>in each case, taking into account all aspects of such Competing Offer (including its conditions)</p>
“Switch Option”	:	<p>The right of TPPL at its discretion to elect at any time, subject to prior consultation with the SIC, to proceed, either on its own or together with any joint offeror(s), by way of an Offer (in lieu of proceeding with the Scheme), in the event of a Competing Offer or an intention to make a Competing Offer is announced or reasonably expected to be announced (whether or not such Competing Offer is pre-conditional)</p>
“Temasek”	:	<p>Temasek Holdings (Private) Limited</p>
“Third Parties”	:	<p>Certain financial institutions which have extended banking or credit facilities to any Paragon Group Entity or have entered into derivative arrangements with any Paragon Group Entity or otherwise have financial arrangements with any Paragon Group Entity</p>
“TPPL Directors”	:	<p>The directors for the time being of TPPL</p>
“TPPL Prescribed Occurrence”	:	<p>Means any of the events or matters set out in Appendix H to this Scheme Document</p>
“TPPL Securities”	:	<p>(a) Issued and paid-up ordinary shares in the capital of TPPL;</p> <p>(b) securities which carry voting rights in TPPL; and</p> <p>(c) convertible securities, warrants, options or derivatives in respect of such shares or securities of TPPL</p>
“TPPL Warranties”	:	<p>The warranties given by TPPL set out in Appendix J to this Scheme Document</p>

DEFINITIONS

“Unit Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd., with its registered office at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632, the Unit registrar of PARAGON REIT
“Unitholders”	:	The holders of Units
“Units”	:	The units in PARAGON REIT
“Valuation Certificates”	:	The valuation summary letters and certificates of the Valuers in respect of the valuation of the Paragon Properties as at 31 December 2024, as set out in Appendix F to this Scheme Document
“Valuation Reports”	:	The reports issued by the Valuers in respect of the valuation of the Paragon Properties as at 31 December 2024
“Value Condition”	:	In relation to the Paragon Scheme Resolution, the Paragon Scheme Resolution being passed by Minority Unitholders representing at least three-fourths in value of the Units held by the Minority Unitholders or class of the Minority Unitholders present and voting either in person or by proxy at the Scheme Meeting to approve the Scheme
“Valuers”	:	The independent valuers commissioned by the Paragon Manager to conduct independent property valuations of the Paragon Properties as at 31 December 2024, being Jones Lang LaSalle Property Consultants Pte Ltd and Jones Lang LaSalle Advisory Services Pty Ltd

The term **“acting in concert”** shall have the meaning ascribed to it in the Code, and a **“concert party”** of a person means a person acting in concert with the first mentioned person.

The terms **“Depositor”**, **“Depository Register”** and **“sub-account holder”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms **“subsidiary”** and **“related corporation”** shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

The headings in this Scheme Document are for ease of reference only and shall be ignored in construing this Scheme Document.

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

Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual or the Code or any modification thereof and used in this Scheme Document shall, where applicable,

DEFINITIONS

have the same meaning assigned to it under the Companies Act, the SFA, the Listing Manual or the Code or any modification thereof, as the case may be, unless otherwise provided.

Any reference to any document or agreement shall include a reference to such document or agreement as amended, modified, supplemented and/or varied from time to time.

Any reference to a time of day and date in this Scheme Document shall be a reference to Singapore time and date respectively, unless otherwise specified.

Any discrepancies in figures included in this Scheme Document between the listed amounts shown and the totals thereof and/or the respective percentages are due to rounding. Accordingly, figures shown as totals in this Scheme Document may not be an arithmetic aggregation of the figures that precede them.

In this Scheme Document, the total number of Units as at the Latest Practicable Date is 2,839,010,006. Unless stated otherwise, all references to percentage unitholdings in the capital of PARAGON REIT in this Scheme Document are based on 2,839,010,006 Units as at the Latest Practicable Date.

FORWARD-LOOKING STATEMENTS

Forward-Looking Statements. All statements other than statements of historical facts included in this Scheme Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of occupancy or property rental income, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on TPPL’s and the Paragon Manager’s current view of future events, and none of TPPL, the Paragon Manager, the Paragon Trustee, Morgan Stanley Asia (Singapore) Pte. and Citigroup Global Markets Singapore Pte. Ltd. undertakes any obligation to update publicly or revise any forward-looking statements.

No representation, warranty or covenant, express or implied, is made by TPPL, the Paragon Manager, the Paragon Trustee, Morgan Stanley Asia (Singapore) Pte. or Citigroup Global Markets Singapore Pte. Ltd. or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information relating to the *pro forma* distribution per Unit and *pro forma* NAV per Unit contained in this Scheme Document and nothing contained in this Scheme Document is or should be relied upon as a promise, representation or covenant by any of the aforementioned persons.

EXPECTED TIMETABLE

EGM AND SCHEME MEETING

Last date and time for submission of questions in advance of the EGM and the Scheme Meeting	:	15 April 2025, 2.30 p.m.
Last date and time for the Paragon Manager's responses to substantial and relevant questions received from Unitholders	:	17 April 2025, 2.30 p.m.
Last date and time for lodgement of Proxy Forms	:	
– Proxy Form A (EGM)	:	19 April 2025, 2.30 p.m. ⁽¹⁾⁽²⁾
– Proxy Form B (Scheme Meeting)	:	19 April 2025, 3.00 p.m. ⁽¹⁾⁽²⁾
Date and time of EGM	:	22 April 2025, 2.30 p.m.
Date and time of Scheme Meeting	:	22 April 2025, 3.00 p.m. (or as soon thereafter following the conclusion of the EGM) ⁽³⁾
Venue of EGM and Scheme Meeting	:	Simpor Junior Ballroom, Level 4, Sands Expo & Convention Centre, 10 Bayfront Avenue, Singapore 018956
Expected date of Court hearing of the application to sanction the Scheme	:	13 May 2025 ⁽⁴⁾
Expected last day of trading of the Units	:	14 May 2025 ⁽⁵⁾
Expected Record Date	:	23 May 2025, 5.00 p.m.
Expected Relevant Date	:	23 May 2025
Expected Effective Date of the Scheme	:	26 May 2025 ⁽⁶⁾
Expected date for the payment of the Scheme Consideration	:	4 June 2025
Expected date for the delisting of PARAGON REIT	:	6 June 2025

EXPECTED TIMETABLE

You should note that save for (a) the last date and time for submission of questions in advance of the EGM and the Scheme Meeting, (b) the last date and time for the Paragon Manager's responses to substantial and relevant questions received from Unitholders, (c) the last date and time for the lodgement of the Proxy Form A (EGM) and the lodgement of the Proxy Form B (Scheme Meeting) and (d) the date, time and venue of each of the EGM and the Scheme Meeting, the above timetable is indicative only and may be subject to change. For the events listed above which are described as "expected", please refer to future announcement(s) by the Paragon Manager for the exact dates of these events.

Notes:

- (1) Unitholders are requested to submit the Proxy Form A (EGM) and/or the Proxy Form B (Scheme Meeting) in accordance with the respective instructions contained therein not later than 2.30 p.m. and/or 3.00 p.m. on 19 April 2025 respectively, being not less than 72 hours before the time fixed for holding the EGM and/or the Scheme Meeting (as the case may be).
- (2) The Proxy Form A (EGM) and the Proxy Form B (Scheme Meeting) and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited with the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:
 - (a) if submitted electronically, be submitted via e-mail to srs.proxy@boardroomlimited.com; or
 - (b) if submitted by post, be lodged at the office of Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632.

The submission of the Proxy Form A (EGM) and/or the Proxy Form B (Scheme Meeting) will not preclude a Unitholder from attending, speaking and voting in person at the EGM and/or the Scheme Meeting respectively if he/she/it subsequently wishes to do so. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the EGM or the Scheme Meeting (as the case may be) in person, and in such event, the Paragon Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form A (EGM) and the Proxy Form B (Scheme Meeting) to the EGM and the Scheme Meeting (as the case may be).

- (3) The Scheme Meeting will only be convened if the Paragon Trust Deed Amendments Resolution is passed by way of an Extraordinary Resolution at the EGM.
- (4) The date of the Court hearing of the application to sanction the Scheme will depend on the date that is allocated by the Court.
- (5) Unitholders should note that if the Scheme becomes effective in accordance with its terms, all the Units held by each Minority Unitholder as at the Record Date will be transferred to TPPL such that on the Scheme Settlement Date, the Cuscaden Peak Group will hold all of the Units, and the Unitholders will not be able to trade their Units from the last day of trading of the Units, which is currently expected to be on 14 May 2025.
- (6) If each of the Scheme Conditions is satisfied or, as the case may be, has been waived in accordance with the Implementation Agreement, the Scheme will come into effect on a date to be mutually agreed in writing between TPPL and the Paragon Manager, being a date within 25 Business Days from the date on which the last of the Scheme Conditions set out in paragraphs (a) (*Unitholders' Approvals*), (b) (*Regulatory Approvals*), (c) (*Tax Approvals*), (h) (*Authorisations and Consents*) and (i) (*Third Parties*) of **Appendix G** to this Scheme Document is satisfied (or, where applicable, waived) in accordance with the terms of the Implementation Agreement, and provided that the Scheme Conditions set out in paragraphs (d) (*No Legal or Regulatory Restraint*), (e) (*No Prescribed Occurrence*), (f) (*No Breach of Warranties*) and (g) (*No Paragon Material Adverse Effect*) of **Appendix G** to this Scheme Document are satisfied (or, where applicable, waived) on the Relevant Date, as the case may be, in accordance with the terms of the Implementation Agreement.

CORPORATE INFORMATION

PARAGON MANAGER	:	PARAGON REIT Management Pte. Ltd.
DIRECTORS OF THE PARAGON MANAGER	:	Dr. Leong Horn Kee (Chairman, Non-Executive and Non-Independent Director) Ms. Chua Kheng Yeng, Jennie (Deputy Chairman, Non-Executive and Independent Director) Mr. Eugene Paul Lai Chin Look (Non-Executive and Lead Independent Director) Mrs. Trina Loh Soh Yong (Non-Executive and Independent Director) Ms. Hoo Sheau Farn (Non-Executive and Independent Director) Mr. Bernard Phang Sin Min (Non-Executive and Independent Director) Mr. Raymond John Ferguson (Non-Executive and Independent Director) Ms. Lim May Ling Ginney (Non-Executive and Non-Independent Director) Mr. Yong Choon Miao, Gerald (Non-Executive and Non-Independent Director)
COMPANY SECRETARY	:	Mr. Huang Jinyang, Brent
REGISTERED OFFICE OF THE PARAGON MANAGER	:	290 Orchard Road #14-05/06, The Paragon Singapore 238859
PARAGON TRUSTEE	:	DBS Trustee Limited (in its capacity as trustee of PARAGON REIT) 12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982
UNIT REGISTRAR AND UNIT TRANSFER OFFICE	:	Boardroom Corporate & Advisory Services Pte. Ltd. 1 Harbourfront Avenue Keppel Bay Tower #14-07 Singapore 098632
LEGAL ADVISER TO THE PARAGON MANAGER	:	Rajah & Tann Singapore LLP 9 Straits View, #06-07 Marina One West Tower Singapore 018937
LEGAL ADVISER TO THE PARAGON TRUSTEE	:	Dentons Rodyk & Davidson LLP 80 Raffles Place, #33-00 UOB Plaza 1 Singapore 048624

CORPORATE INFORMATION

**FINANCIAL ADVISER TO
THE PARAGON MANAGER**

: Morgan Stanley Asia (Singapore) Pte.
#22-01 West Tower
IOI Central Boulevard Towers
Singapore 018916

**INDEPENDENT FINANCIAL
ADVISER TO THE
PARAGON INDEPENDENT
DIRECTORS AND THE
PARAGON TRUSTEE**

: PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay #10-00
Collyer Quay Centre
Singapore 049318

LETTER TO UNITHOLDERS

PARAGON REIT

(a real estate investment trust constituted on 9 July 2013
under the laws of the Republic of Singapore)

Managed by

PARAGON REIT Management Pte. Ltd.

(Company Registration No: 201305497E)
(Incorporated in the Republic of Singapore)

Directors of the Paragon Manager

Dr. Leong Horn Kee (Chairman, Non-Executive and
Non-Independent Director)
Ms. Chua Kheng Yeng, Jennie (Deputy Chairman,
Non-Executive and Independent Director)
Mr. Eugene Paul Lai Chin Look (Non-Executive and
Lead Independent Director)
Mrs. Trina Loh Soh Yong (Non-Executive and
Independent Director)
Ms. Hoo Sheau Farn (Non-Executive and
Independent Director)
Mr. Bernard Phang Sin Min (Non-Executive and
Independent Director)
Mr. Raymond John Ferguson (Non-Executive and
Independent Director)
Ms. Lim May Ling Ginney (Non-Executive and
Non-Independent Director)
Mr. Yong Choon Miao, Gerald (Non-Executive and
Non-Independent Director)

Registered Office:

290 Orchard Road
#14-05/06, The Paragon
Singapore 238859

27 March 2025

To: Unitholders

Dear Sir/Madam

- (1) **PROPOSED PARAGON TRUST DEED AMENDMENTS; AND**
- (2) **PROPOSED PRIVATISATION OF PARAGON REIT BY WAY OF A TRUST SCHEME OF ARRANGEMENT**

1. INTRODUCTION

1.1 Joint Announcement of the Scheme

On 11 February 2025, the respective boards of directors of the Paragon Manager and TPPL jointly announced the privatisation of PARAGON REIT, which shall be effected through the acquisition by TPPL of all the Units held by the Minority Unitholders, by way of the Scheme in compliance with the Code and the Paragon Trust Deed, as may be amended, supplemented or varied from time to time (including as may be amended by the Paragon Trust Deed Amendments).

A copy of the Joint Announcement is available on SGXNet at <https://www.sgx.com/securities/company-announcements>.

LETTER TO UNITHOLDERS

1.2 Purpose

The purpose of this Scheme Document is to set out information pertaining to the Paragon Trust Deed Amendments and the Scheme, to seek approval from the Unitholders for the Paragon Trust Deed Amendments and approval from the Minority Unitholders for the Scheme, and to give Unitholders notice of both the EGM and the Scheme Meeting.

1.3 Paragon Trust Deed Amendments

In connection with the implementation of the Scheme, it was also announced in the Joint Announcement that the Paragon Manager proposes to amend the Paragon Trust Deed to include the Paragon Trust Deed Amendments to facilitate the implementation of the Scheme.

1.4 Scheme Consideration

S\$0.9800 IN CASH FOR EACH UNIT

Based on the Units held by the Minority Unitholders as at the Latest Practicable Date, the aggregate Scheme Consideration payable for all the Units held by the Minority Unitholders is S\$1,071,190,010.38. In consideration of the transfer of the Units and subject to Paragraph 1.5(c) of this Letter to Unitholders, TPPL will, subject to the Scheme becoming effective in accordance with its terms, pay or procure the payment of the Scheme Consideration for each Unit held by each of the Minority Unitholders as at the Record Date in accordance with the terms and conditions of the Implementation Agreement.

1.5 2H FY2024 Distribution

- (a) On the Joint Announcement Date, the Paragon Manager declared the 2H FY2024 Distribution of 2.33 Singapore cents for each Unit in cash, in respect of 2H FY2024, which distribution will be paid to entitled Unitholders on 28 March 2025.
- (b) The Scheme Consideration will not be reduced or otherwise adjusted for the 2H FY2024 Distribution. Accordingly, in the event the Scheme becomes effective in accordance with its terms, the Minority Unitholders who are entitled to and have received payment of the 2H FY2024 Distribution shall have the right to retain the 2H FY2024 Distribution in addition to the Scheme Consideration.
- (c) In the event that any Excess Distribution is declared, made or paid by the Paragon Manager on or after the Joint Announcement Date, TPPL shall have the right to adjust the Scheme Consideration so as to reduce the amount of Scheme Consideration payable for each Unit by an amount equivalent to such Excess Distribution.

LETTER TO UNITHOLDERS

1.6 Summary of Approvals Sought

(a) Paragon Trust Deed Amendments Resolution

The Paragon Manager is convening the EGM to seek the approval of the Unitholders by way of an Extraordinary Resolution for the Paragon Trust Deed Amendments Resolution to effect the Paragon Trust Deed Amendments to facilitate the implementation of the Scheme.

Please refer to Paragraph 6 of this Letter to Unitholders and **Appendix D** to this Scheme Document for further details on the Paragon Trust Deed Amendments.

(b) Paragon Scheme Resolution

In addition, subject to and contingent upon the passing of the Paragon Trust Deed Amendments Resolution at the EGM, the Paragon Manager is convening the Scheme Meeting to seek the approval of the Minority Unitholders by way of a majority in number of the Minority Unitholders representing at least three-fourths in value of the Units held by the Minority Unitholders present and voting either in person or by proxy at the Scheme Meeting for the Paragon Scheme Resolution.

The Paragon Scheme Resolution is contingent upon the approval of the Paragon Trust Deed Amendments Resolution at the EGM, held immediately prior to the Scheme Meeting.

In the event that the Paragon Trust Deed Amendments Resolution is not approved, the Paragon Manager will not proceed with the Scheme Meeting.

This means that the Scheme cannot be implemented by the Paragon Manager unless both the Paragon Trust Deed Amendments Resolution and the Paragon Scheme Resolution are approved at the EGM and the Scheme Meeting respectively.

For avoidance of doubt, the Paragon Trust Deed Amendments Resolution is not conditional on the Paragon Scheme Resolution being passed. In the event the Paragon Trust Deed Amendments Resolution is approved at the EGM, the Paragon Trust Deed will be amended to include the Paragon Trust Deed Amendments, whether or not the Paragon Scheme Resolution is passed.

In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

LETTER TO UNITHOLDERS

1.7 Information on the Decision-Making and Negotiation Process in relation to the Scheme

The Paragon Manager sets out below a summary of various considerations which were taken into account in the evaluation, decision-making and negotiation process relating to the Scheme:

- (a) Commercial discussions on the proposed Scheme commenced between the board of the Paragon Manager and the Offeror, following the receipt of a non-binding indicative expression of interest from the Offeror. The board of the Paragon Manager is cognisant that the Cuscaden Peak Group's holding of approximately 61.50% of the Units (as at the Latest Practicable Date) means that the likelihood of a competing offer from a third party is remote, as no other competing offer will be capable of turning unconditional or succeeding without the Cuscaden Peak Group's support. Accordingly, the board of the Paragon Manager reviewed the proposal from the Offeror robustly and was advised throughout the decision-making and negotiation process by its professional advisers, including its financial advisers who were mandated to evaluate the merits of the proposed Scheme. This was to ensure a comprehensive and objective assessment of the Scheme, including alignment of the terms of the Scheme with the interests of the Minority Unitholders, and in turn allowed the board of directors of the Paragon Manager to make an informed decision on the Scheme.
- (b) The initial terms of the Scheme and the merits of the Scheme were thoroughly evaluated and deliberated on by the board of directors of the Paragon Manager, following which the Paragon Manager granted exclusivity to the Offeror and allowed due diligence to commence in respect of the Scheme. The negotiation of the terms of the Scheme and the Implementation Agreement was overseen by the Paragon Independent Directors together with the support of the management team and their financial and legal advisers. During the exclusive period of engagement between Offeror and the Paragon Manager, the Paragon Manager received an improved proposal for the Scheme Consideration in respect of the Scheme from the Offeror.
- (c) In this regard, in order to ensure that all decisions on matters relating to the Scheme were made free of conflicts of interests and with the best interests of the Minority Unitholders in mind, representatives from the concert party group of the Offeror who sit on the board of the Paragon Manager (i.e. Mr. Yong Choon Miao, Gerald and Ms. Lim May Ling Ginney) abstained from voting at the board meetings on all matters relating to the Scheme (including, for the avoidance of doubt, the decision as to whether the Scheme should be brought to the Minority Unitholders for them to consider its merits and vote at the Scheme Meeting), but they continue to assume and accept responsibility for the information relating to the Scheme on the terms set out in this Scheme Document.
- (d) In their evaluation of the Offeror's proposal, the Paragon Independent Directors considered the feasibility of alternative options including asset sales and consolidations with other parties. In considering these alternative options, the Paragon Independent Directors were advised and concluded that there was no certainty of outcome and price, which could vary depending on market conditions. These could also involve protracted processes without certainty of a formal proposal and potentially high transaction expenses that could impact the value proposition for Unitholders. An asset sale process could also be subject to the potential for the cherry-picking of select assets where parties might only opt to acquire certain more attractive assets but

LETTER TO UNITHOLDERS

not others. Given that PARAGON REIT's portfolio currently comprises only three (3) assets, the sale of only selected assets may leave Unitholders with a subscale REIT, heightened concentration risk or subject remaining assets to a forced sale scenario thus potentially creating uncertainty on PARAGON REIT's outlook and could negatively impact the trading performance of the Units.

- (e) The latest available up-to-date Paragon Adjusted NAV, derived based on the latest appraised independent property valuations of the Paragon Properties as at 31 December 2024 by the Valuers, was determined to be one of the key valuation benchmarks that appropriately reflects the value of the Units. The Scheme Consideration represents a premium to the Paragon Adjusted NAV, and the Scheme allows Unitholders to realise their investment in cash at an attractive Scheme Consideration immediately against an appropriate valuation of PARAGON REIT.

Having considered the foregoing, and taking into account the evaluation of the financial merits of the Scheme Consideration (as further particularised in Paragraph 4.5 of this Letter to Unitholders), the advice of the Paragon IFA (as set out in **Appendix A** to this Scheme Document) and the execution certainty in respect of PARAGON REIT's assets as a whole against the volatility of the market, the Paragon Independent Directors are of the view that the Scheme represents the most attractive and credible option available which, if it becomes effective, delivers immediate deal certainty (from a timing and execution perspective) to Unitholders, by allowing Unitholders to fully monetise their investment in their Units in cash at an attractive Scheme Consideration and the ability to redeploy their funds to other investments, if desired.

2. INFORMATION ON TPPL AND CPI

As stated in paragraph 4 of the Offeror's Letter:

2.1 TPPL

TPPL is a company incorporated in Singapore. TPPL is a wholly-owned subsidiary of CPI, the sponsor of PARAGON REIT. CPI is in turn a wholly-owned subsidiary of CP. The shareholders of CP are Adenium Pte. Ltd. (a wholly-owned subsidiary of CLA Real Estate Holdings Pte. Ltd.) and Mapletree Fortress Pte. Ltd. (an indirect wholly-owned subsidiary of Mapletree Investments Pte Ltd), each holding 50% of the ordinary shares of CP. The principal activities of TPPL include investment holding, letting properties and the provision of property management services. TPPL is the direct holding company of the Paragon Manager.

2.2 TPPL Directors

As at the Latest Practicable Date, the directors of TPPL are:

- (a) Mr. Yong Choon Miao, Gerald; and
- (b) Ms. Chin Yean Cheng.

- 2.3 Additional information relating to TPPL and CPI is set out in Schedule 3 to the Offeror's Letter.

LETTER TO UNITHOLDERS

3. INFORMATION ON PARAGON REIT AND THE PARAGON MANAGER

3.1 PARAGON REIT

PARAGON REIT is a REIT constituted under the Paragon Trust Deed on 9 July 2013 and was listed on the Mainboard of the SGX-ST on 24 July 2013. PARAGON REIT is a Singapore-based REIT established principally to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for retail purposes in Asia-Pacific, as well as real estate-related assets. As at the Latest Practicable Date, PARAGON REIT's portfolio comprises Paragon and The Clementi Mall located in Singapore, and a 50% stake in Westfield Marion Shopping Centre located in Australia.

3.2 Outstanding Units

As at the Latest Practicable Date, PARAGON REIT has 2,839,010,006 Units in issue.

3.3 Financial information

Based on the PARAGON REIT FY2024 Financial Statements, certain key financial information with respect to the Paragon Group is set out as follows:

Paragon Group (as at 31 December 2024)	
Total assets (S\$'000)	4,314,524
Total NAV (S\$'000)	2,674,849
NAV per Unit (S\$)	0.938
Distribution for 2H FY2024 (S\$'000)	66,149
DPU for 2H FY2024 (Singapore cents) ⁽¹⁾	2.33
Total Paragon Adjusted NAV (S\$'000) ⁽²⁾	2,608,700
Paragon Adjusted NAV per Unit (S\$) ⁽²⁾	0.915

Notes:

(1) The 2H FY2024 Distribution will be paid to entitled Unitholders on 28 March 2025.

(2) Adjusted for the 2H FY2024 Distribution, which will be paid to entitled Unitholders on 28 March 2025.

3.4 The Paragon Manager

(a) PARAGON REIT is managed by the Paragon Manager, which was incorporated in Singapore on 1 March 2013 and currently holds a capital markets services licence for REIT management pursuant to the SFA.

(b) As at the Latest Practicable Date:

(i) the Paragon Manager has an issued and paid-up share capital of S\$1,000,000 comprising 1,000,000 ordinary shares in issue and no treasury shares;

(ii) the Paragon Manager is wholly-owned by TPPL, which is in turn an indirect wholly-owned subsidiary of CP. CPI (a wholly-owned subsidiary of CP) is the sponsor of PARAGON REIT. Upon completion of the Scheme, it is envisaged that all the Units will be held by the Cuscaden Peak Group; and

LETTER TO UNITHOLDERS

(iii) the directors of the Paragon Manager are:

- (A) Dr. Leong Horn Kee, Chairman, Non-Executive and Non-Independent Director;
- (B) Ms. Chua Kheng Yeng, Jennie, Deputy Chairman, Non-Executive and Independent Director;
- (C) Mr. Eugene Paul Lai Chin Look, Non-Executive and Lead Independent Director;
- (D) Mrs. Trina Loh Soh Yong, Non-Executive and Independent Director;
- (E) Ms. Hoo Sheau Farn, Non-Executive and Independent Director;
- (F) Mr. Bernard Phang Sin Min, Non-Executive and Independent Director;
- (G) Mr. Raymond John Ferguson, Non-Executive and Independent Director;
- (H) Ms. Lim May Ling Ginney, Non-Executive and Non-Independent Director;
and
- (I) Mr. Yong Choon Miao, Gerald, Non-Executive and Non-Independent Director.

4. RATIONALE FOR THE SCHEME AND OFFEROR'S FUTURE INTENTIONS FOR PARAGON REIT

The figures, prices and charts as set out in this Paragraph 4 are with reference to the relevant periods up to and including 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date.

As stated in paragraphs 3.1 to 3.6 of the Offeror's Letter:

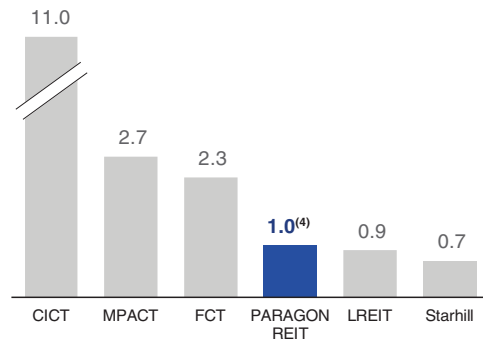
4.1 PARAGON REIT faces trading conditions that constrain its potential for sustained growth

- (a) PARAGON REIT has one of the lowest free floats among its Retail S-REIT Peers and has historically experienced low trading liquidity, with an average of 0.04% of Units outstanding (approximately S\$1.0 million) traded per day over the last 12 months.³ Despite its inclusion in the FTSE EPRA Nareit Developed Index on 20 September 2021, PARAGON REIT has the lowest analyst research coverage among peers and has attracted limited institutional investor flow compared to its Retail S-REIT Peers.

³ For the period between 10 February 2024 and 10 February 2025.

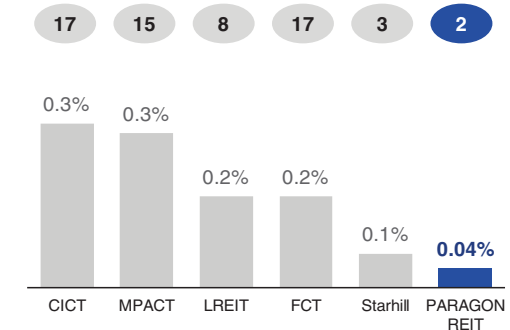
LETTER TO UNITHOLDERS

Retail S-REIT Free Float by Market Capitalisation
(S\$bn)



12M Average Daily Trading Volume
(% of Total Units Outstanding)

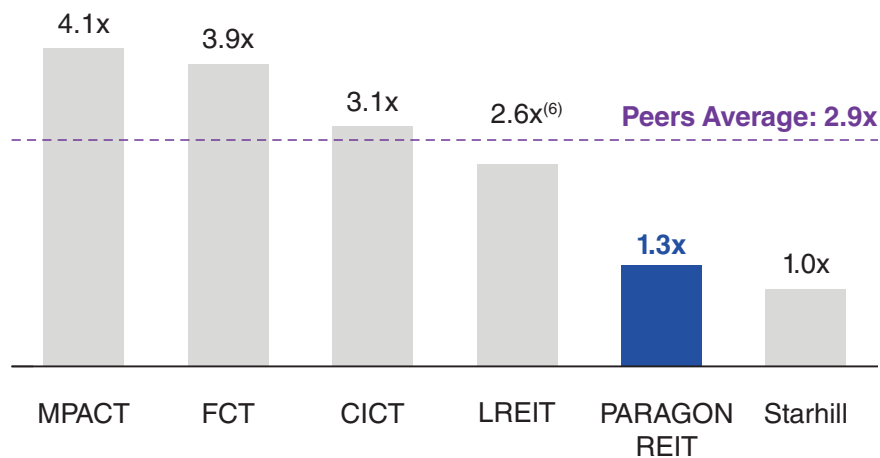
Analyst Coverage
(# of Analysts)



Source: Company Filings, FactSet as at 10 February 2025

- (b) These trading conditions may put PARAGON REIT at a disadvantage when looking to access capital markets compared to its Retail S-REIT Peers, and consequently may restrict its ability to expand its portfolio. Since its IPO in July 2013, PARAGON REIT's total assets have grown 1.3x, which, in comparison, is less than the 2.9x average of its Retail S-REIT Peers.

Retail S-REITs – Total Portfolio Growth Since 2013⁽⁵⁾



Source: Company Filings, FactSet as at 10 February 2025

- (c) For the reasons above, the Offeror believes that despite its listed status, PARAGON REIT faces trading conditions that will continue to constrain its potential for sustained growth and long-term value creation.

4 PARAGON REIT's free float excludes Units held by Cuscaden Peak and its subsidiaries and is computed based on the free float Units of 1,093 million multiplied by the closing price of the Units on 10 February 2025 of S\$0.890.

5 Based on latest total assets disclosed as at 10 February 2025, being the last full trading day immediately prior to the Joint Announcement Date, since PARAGON REIT's IPO in July 2013.

6 For the period between 31 July 2019 and 10 February 2025.

LETTER TO UNITHOLDERS

- 4.2 **PARAGON REIT's portfolio comprises three (3) assets, with Paragon accounting for 72% of value. However, Paragon's premier upscale status is being challenged with increased competition from (i) upcoming new retail malls in the surrounding catchment and (ii) existing competing malls undergoing major upgrades**
- (a) PARAGON REIT's portfolio is concentrated, with Paragon representing approximately 72% of PARAGON REIT's total appraised value for FY2024.⁷ Therefore, PARAGON REIT's value is dependent on the performance of Paragon.
 - (b) While Paragon continues to be one of the leading upscale retail malls in Singapore, the mall is over 30 years old and is facing increasing competition from the surrounding catchment.
 - (c) Competing retail assets of a similar vintage in central Singapore have undergone major upgrades in recent times. Redevelopments in the nearby Tanglin area, such as Ming Arcade, Tanglin Shopping Centre, Forum The Shopping Mall, voco Orchard Singapore, and HPL House, are also expected to significantly ramp up competition in Orchard Road in the coming years once completed. In contrast, Paragon's last major upgrade was over 15 years ago in 2009, involving an approximately S\$82 million investment to mainly refresh Paragon's façade and expand retail space.
 - (d) In addition to the increasing competitive pressures, the luxury retail environment may remain challenging in the near to medium term. International luxury spending is currently only at 74% of its 2019 peak.⁸ A persistent slowdown in luxury spending recovery would put further pressure on Paragon's performance – for FY2024, tenant sales declined approximately 5.5% year-on-year to S\$654 million (versus S\$692 million in the financial year ended 31 December 2023), indicating early signs of pressure.
- 4.3 **To future-proof Paragon's competitive positioning, the Offeror seeks to rejuvenate Paragon through a Potential AEI**
- (a) Having considered the above factors, the Offeror believes that a major Potential AEI for Paragon is necessary to maintain its long-term competitiveness as a leading upscale retail mall in Singapore.
 - (b) The Offeror, as a significant Unitholder, intends to collaborate closely with PARAGON REIT to facilitate the implementation of such a Potential AEI, which it believes will also be for the benefit of tenants and shoppers.
 - (c) The Offeror envisions that a Potential AEI could include significant upgrades to the exterior and interior of Paragon, and the potential scope of work could include:
 - (i) upgrades to façade and interiors;
 - (ii) reconfiguration and optimisation of retail and circulation spaces;

⁷ The Clementi Mall represents approximately 16% of PARAGON REIT's FY2024 total appraised value and PARAGON REIT's 50% stake in Westfield Marion Shopping Centre represents approximately 12% of PARAGON REIT's FY2024 total appraised value.

⁸ Source: Intercontinental Group of Department Stores (May 2024).

LETTER TO UNITHOLDERS

- (iii) improved connectivity and accessibility;
 - (iv) upgrades and replacement of Mechanical & Electrical (M&E) services and equipment; and
 - (v) other works that may be beneficial to improving and maintaining the long-term competitiveness of Paragon.
- (d) The Offeror does not intend to redevelop or change the underlying use of Paragon. A Potential AEI would also not increase the GFA as the existing plot ratio has been fully utilised based on current permits and regulations.
- (e) Notwithstanding the above, Unitholders should note that concepts relating to a Potential AEI remain preliminary and will require, among other things, further feasibility assessments, an in-depth study of execution plausibility and timeline as well as regulatory approvals.
- 4.4 Given the execution risks associated with a significant Potential AEI, including uncertainties around cost and timing, a Potential AEI would be more suitably carried out in a private setting**
- (a) The Offeror envisions that future-proofing Paragon through a Potential AEI could require a sizeable capital investment and potentially take three (3) to four (4) years⁹ to complete, with the potential for completion to be extended subject to approvals required and delays in the construction project schedule. This capital investment would be in addition to potential business-as-usual capital expenditures that the Offeror believes will be required in the next few years for routine upgrades, end-of-life replacements, and compliance with the latest building codes.
 - (b) Illustratively, based on precedent AEIs capital expenditure per square foot (psf)¹⁰ for retail and office properties in Singapore of approximately S\$330 – S\$590 psf, the Offeror believes a potential total capital expenditure for Paragon's GFA could be approximately S\$300 million – S\$600 million (representing approximately 10% – 21% of Paragon's appraised value for FY2024).
 - (c) A Potential AEI carries significant execution risks that are inherent to such large-scale construction projects, including but not limited to ongoing business disruptions arising from the construction, uncertainties around cost and timing, and potential changes in market conditions that may impact leasing demand and/or rental rates. To minimise business disruptions, the Offeror believes a Potential AEI should be implemented in phases without a complete closure of Paragon.

⁹ In line with precedent office/retail S-REIT asset enhancement initiatives.

¹⁰ The range for capital expenditure per square foot of gross floor area has been derived based on office and retail asset enhancement initiative precedents, adjusted for capital expenditure inflation from the year of each asset enhancement initiative to 2026 using the BCA Tender Price Index.

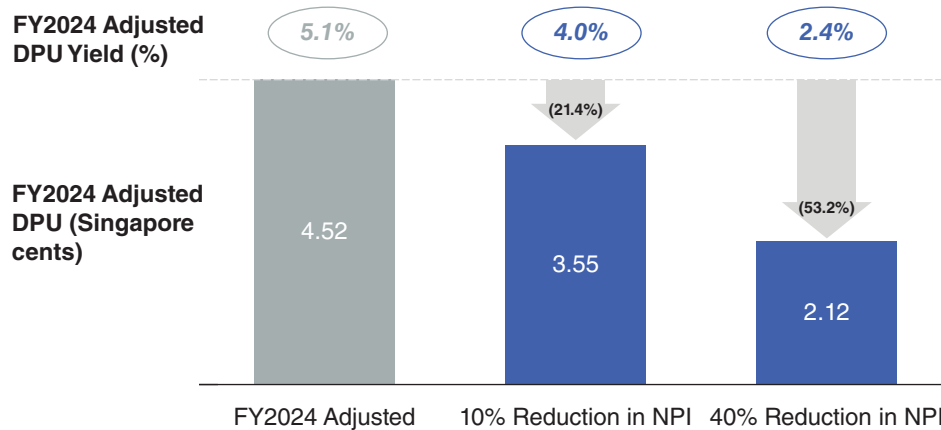
LETTER TO UNITHOLDERS

(d) Given that a Potential AEI is subject to further in-depth feasibility assessments, there is significant uncertainty as to the parameters for, and the impact of, such Potential AEI on PARAGON REIT. For illustrative and hypothetical purposes only, the Offeror has set out a sensitivity analysis in Part 1 of Schedule 1 to the Offeror's Letter for the impact of variations in capital expenditure for a Potential AEI and fluctuations to the Paragon NPI on the Adjusted DPU, Adjusted DPU Yield and Adjusted Aggregate Leverage of PARAGON REIT for FY2024.¹¹

(e) As an illustration (as prepared by the Offeror):

(i) assuming (A) a Potential AEI capital expenditure of S\$300 million is fully funded by debt and fully drawn down in FY2024 at an all-in finance cost of 4.4%,¹² and (B) a fluctuation in the Paragon NPI for FY2024 of between 10% – 40%, which would collectively result in a decrease in net property income and an increase in interest expenses and consequentially reduce distributable income and DPU, PARAGON REIT's DPU and DPU Yield would have ranged between 2.12 – 3.55 Singapore cents and 2.4% – 4.0% respectively, representing a decrease of between 21.4% – 53.2% to the FY2024 Adjusted DPU;

Illustrative Impact of Potential AEI on FY2024 Adjusted DPU (Singapore cents)



(ii) assuming (A) a Potential AEI capital expenditure of S\$600 million is fully funded by debt and fully drawn down in FY2024 at an all-in finance cost of 4.4%¹³ and (B) a fluctuation in the Paragon NPI for FY2024 of between 10 – 40%, which would collectively result in a decrease in net property income and an increase in interest expenses and consequentially reduce distributable income and DPU, PARAGON REIT's DPU and DPU Yield would have ranged between 1.63 – 3.06 Singapore cents and 1.8% – 3.4% respectively, representing a decrease of between 32.3% and 64.0% to the FY2024 Adjusted DPU; and

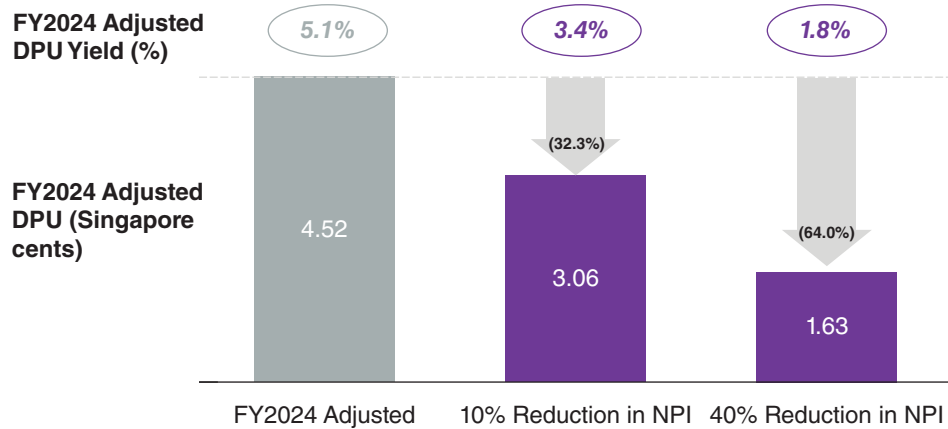
¹¹ Adjusted DPU, Adjusted DPU Yield and Adjusted Aggregate Leverage based on excluding the impact of divestments undertaken or announced by PARAGON REIT in 2024. Please refer to Schedule 1 to the Offeror's Letter.

¹² Based on PARAGON REIT's average cost of debt in FY2024.

¹³ Based on PARAGON REIT's average cost of debt in FY2024.

LETTER TO UNITHOLDERS

Illustrative Impact of Potential AEI on FY2024 Adjusted DPU (Singapore cents)



(iii) assuming a Potential AEI capital expenditure of S\$300 million – S\$600 million which is fully debt-funded and fully drawn down in FY2024, FY2024 Adjusted Aggregate Leverage¹⁴ would have increased from 34.2% to 38.5% – 42.4% (versus Retail S-REIT Peers average of 38.6%).

- (f) The Offeror believes that PARAGON REIT's other assets, The Clementi Mall and Westfield Marion Shopping Centre,¹⁵ would not be able to offset the potential impact on the DPU and DPU Yield given their relative size (approximately 28% of PARAGON REIT's FY2024 total appraised value) as compared to Paragon (approximately 72% of PARAGON REIT's FY2024 total appraised value).
- (g) Taking into consideration the uncertainties inherent in a Potential AEI, the Offeror believes a major Potential AEI would be more suitably carried out in a private setting. If the Scheme is successful and a major Potential AEI is carried out, Unitholders will not need to bear the volatility and execution risks associated with such an initiative.

4.5 The Scheme offers an opportunity for Unitholders to fully monetise their investment in cash at an attractive Scheme Consideration

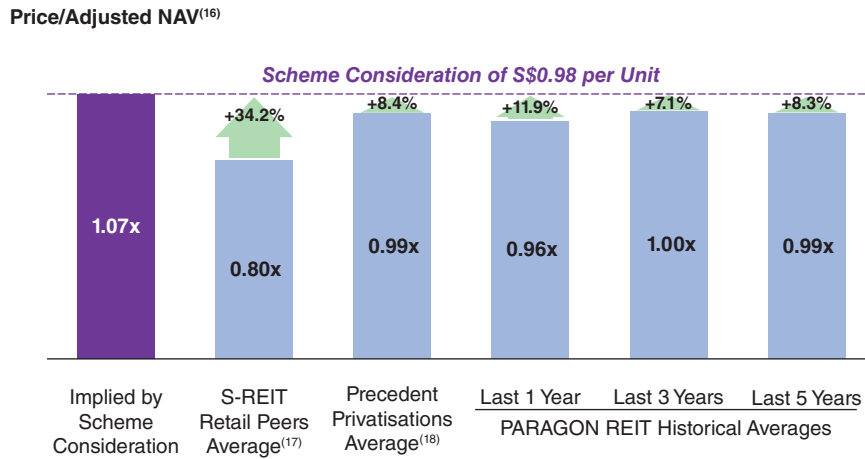
- (a) The Offeror believes that the privatisation will provide Unitholders with the opportunity to realise their investment at an attractive value and receive 100% of the value of their Units in cash, without exposure to future market risk and Unit price movements.
- (b) The Offeror and the board of the Paragon Manager believe that the Scheme Consideration of S\$0.9800 is attractive for Unitholders, based on the various metrics as outlined below:
- (i) the Scheme Consideration represents a 7.1% premium to the Paragon Adjusted NAV and an implied Price/Paragon Adjusted NAV of 1.07x; which represents an 8.4% premium to average Price/Precedent Privatisations Adjusted NAV of 0.99x;
 - (ii) the implied Price/Paragon Adjusted NAV of 1.07x represents a premium of 34.2% to the average Price/Peer Adjusted NAV of 0.80x;

¹⁴ PARAGON REIT's FY2024 Aggregate Leverage of 35.3% has been adjusted to 34.2% ("FY2024 Adjusted Aggregate Average"). Refer to Part 2 of Schedule 1 to the Offeror's Letter for detailed adjustments.

¹⁵ PARAGON REIT has a 50% interest in Westfield Marion Shopping Centre.

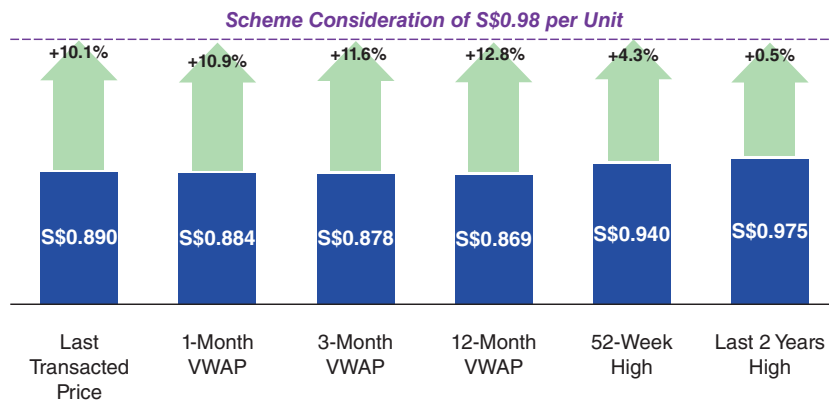
LETTER TO UNITHOLDERS

- (iii) the implied Price/Paragon Adjusted NAV of 1.07x represents a premium of 11.9%, 7.1% and 8.3% to the historical one (1)-year, three (3)-year and five (5)-year Average Price/Paragon Adjusted NAV, respectively;



Source: FactSet, Bloomberg, Company Filings as at 10 February 2025

- (iv) the Scheme Consideration represents a 10.1%, 10.9%, 11.6% and 12.8% premium to the Last Transacted Price and the one (1)-month, three (3)-month and 12-month volume weighted adjusted price, respectively;



Source: FactSet, Bloomberg, Company Filings as at 10 February 2025

- (v) the Scheme Consideration exceeds the highest ever traded price over the last two (2) years;¹⁹
- (vi) the Scheme Consideration represents a premium of 4.3% to the 52-week high traded price of Units;²⁰ and

16 Based on PARAGON REIT's FY2024 NAV of S\$0.9385 per Unit, adjusted for the 2H FY2024 Distribution of S\$0.0233 per Unit.

17 Peers include CICT, MPACT, FCT, LREIT and Starhill.

18 Based on precedent privatisations of property trusts and REIT mergers with an all-cash option as consideration.

19 In respect of the two (2)-year period ending on 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date.

20 In respect of the 52-week period ending on 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date.

LETTER TO UNITHOLDERS

(vii) the premium of 9.0 Singapore cents per Unit to the Last Transacted Price represents approximately two (2) years of distributions.²¹

- (c) The Scheme offers an opportunity for Unitholders to realise their investment in cash with no trading cost and the ability to immediately redeploy the proceeds into other investment opportunities.

4.6 **If the Scheme is not approved, the Offeror intends to actively engage with PARAGON REIT to consider implementing a Potential AEI**

- (a) The proposed Scheme will be submitted to the vote of the Minority Unitholders. The Offeror and its concert party group will abstain from voting.
- (b) In the event that the Scheme is not approved by Unitholders, the Offeror intends to continue to engage with PARAGON REIT to consider an appropriate plan, as it believes that a Potential AEI is critical for Paragon to remain competitive. Further engagement between the Offeror and PARAGON REIT would be required at the prevailing time.

4.7 **Offeror's Future Intentions for PARAGON REIT**

As stated in paragraph 3.7 of the Offeror's Letter, save as disclosed in this Scheme Document (including the Offeror's Letter), there is presently no intention by the Offeror to (a) introduce any major changes to the business of PARAGON REIT, (b) re-deploy the fixed assets of PARAGON REIT, or (c) discontinue the employment of the employees of PARAGON REIT (if any), save in the ordinary course of business.

In the event the Scheme becomes effective, the Offeror intends to conduct a strategic review of the portfolio of the Paragon Group and retains and reserves the right and flexibility at any time after the completion of the Scheme to consider any options in relation to the Paragon Group or any of its assets which may present themselves and which it may regard to be in the interest of the Paragon Group.

5. **KEY TERMS OF THE SCHEME**

5.1 **The Scheme**

The Scheme is proposed to be effected in accordance with the Code and the Paragon Trust Deed (as amended by the Paragon Trust Deed Amendments), subject to the terms and conditions of the Implementation Agreement. Under the Scheme:

- (a) subject to the Scheme becoming effective and binding in accordance with its terms, all the Units held by the Minority Unitholders, as at the Record Date, will be transferred to TPPL:
- (i) fully paid;

²¹ Based on the last-12-months' (from 10 February 2025) declared distributions of 4.65 Singapore cents per Unit, excluding special dividends that are capital distributions in nature.

LETTER TO UNITHOLDERS

- (ii) free from any charge, claim, hypothecation, lien, mortgage, power of sale, retention of title, or security interest of any kind over and in respect of such asset or real property, any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which any such asset or real property is subject or any right or option for the sale or purchase of any such asset or real property and any other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing; and
- (iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the Paragon Manager on or after the Joint Announcement Date, except for the 2H FY2024 Distribution,

such that on and from the Scheme Settlement Date, the Cuscaden Peak Group will hold 100% of the Units; and

- (b) in consideration for such transfer of the Units and subject to the Scheme becoming effective in accordance with its terms, TPPL agrees to pay or procure the payment of the Scheme Consideration for each Unit held by each Minority Unitholder as at the Record Date, in accordance with the terms and conditions of the Implementation Agreement.

For the avoidance of doubt:

- (i) the Scheme Consideration will not be reduced by the 2H FY2024 Distribution and the Minority Unitholders who are entitled to and have received or will receive payment of the 2H FY2024 Distribution shall have the right to receive and retain the 2H FY2024 Distribution in addition to the Scheme Consideration; and
- (ii) in the event any Excess Distribution is declared, made or paid by the Paragon Manager on or after the Joint Announcement Date, TPPL shall have the right to adjust the Scheme Consideration so as to reduce the amount of Scheme Consideration payable for each Unit by an amount equivalent to such Excess Distribution.

5.2 Scheme Conditions

(a) Scheme Conditions

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the Scheme Conditions. The Scheme Conditions and the status of each Scheme Condition is set out in **Appendix G** to this Scheme Document.

(b) Benefit of Scheme Conditions

(i) TPPL's Benefit

TPPL alone may waive the Scheme Conditions set out in paragraphs (b)(i) (*MAS Approval for the Scheme*), (b)(ii) (*SIC Approval for the Scheme*), (c) (*Tax Approvals*), (e)(ii) (*No Paragon Prescribed Occurrence*), (f)(ii) (*No Breach of Paragon Warranties*), (g) (*No Paragon Material Adverse Effect*) and (i) (*Third Parties*) of **Appendix G** to this Scheme Document.

LETTER TO UNITHOLDERS

(ii) **PARAGON REIT's Benefit**

The Paragon Trustee and the Paragon Manager may waive the Scheme Conditions set out in paragraphs (e)(i) (*No TPPL Prescribed Occurrence*) and (f)(i) (*No Breach of TPPL Warranties*) of **Appendix G** to this Scheme Document.

(iii) **Mutual Benefit**

The Parties may jointly waive the Scheme Conditions in paragraphs (d) (*No Legal or Regulatory Restraint*) and (h) (*Authorisations and Consents*) of **Appendix G** to this Scheme Document.

(iv) **No Waiver**

For the avoidance of doubt, the Scheme Conditions set out in paragraphs (a)(i) (*Paragon Trust Deed Amendments Resolution*), (a)(ii) (*Paragon Scheme Resolution*), (b)(iii) (*Court Order*) and (b)(iv) (*SGX-ST Approval*) of **Appendix G** to this Scheme Document are not capable of being waived by any or all of the Parties.

5.3 **Effective Date**

The Scheme will become effective upon the written notification to the MAS of the grant of the Scheme Court Order, which shall be effected by or on behalf of TPPL on a date to be mutually agreed in writing between TPPL and the Paragon Manager, being a date within 25 Business Days from the date that the last of the Scheme Conditions set out in paragraphs (a) (*Unitholders' Approvals*), (b) (*Regulatory Approvals*), (c) (*Tax Approvals*), (h) (*Authorisations and Consents*) and (i) (*Third Parties*) of **Appendix G** to this Scheme Document is satisfied (or, where applicable, waived) in accordance with the terms of the Implementation Agreement, and provided that the rest of the Scheme Conditions set out in paragraphs (d) (*No Legal or Regulatory Restraint*), (e) (*No Prescribed Occurrence*), (f) (*No Breach of Warranties*) and (g) (*No Paragon Material Adverse Effect*) of **Appendix G** to this Scheme Document are satisfied (or, where applicable, waived) on the Relevant Date, as the case may be, in accordance with the terms of the Implementation Agreement.

5.4 **Termination of the Scheme**

(a) **Right to Terminate**

The Implementation Agreement (other than the surviving provisions) may be terminated at any time from date of the Implementation Agreement to (and including) the Relevant Date:

- (i) **Regulatory Action:** by any Party, if there has been a decree, determination, injunction, judgement or other order (which is final and non-appealable) issued by any court of competent jurisdiction or by any Governmental Authority which has the effect of permanently enjoining, restraining or otherwise prohibiting the Scheme or any part thereof;

LETTER TO UNITHOLDERS

- (ii) **Breach of Warranties or Prescribed Occurrence:** by either:
 - (A) the Paragon Manager and the Paragon Trustee, if (1) there is a breach of the TPPL Warranties; or (2) an occurrence of the TPPL Prescribed Occurrence, and TPPL fails to remedy such breach or occurrence (if capable of remedy) within 14 days after being given notice by the Paragon Manager or the Paragon Trustee to do so; or
 - (B) TPPL, if (1) there is a breach of the Paragon Warranties or (2) an occurrence of the Paragon Prescribed Occurrence, and the Paragon Manager or the Paragon Trustee fails to remedy such breach or occurrence (if capable of remedy) within 14 days after being given notice by TPPL to do so;
- (iii) **Competing Offer:** by any Party, if a Competing Offer completes (or, in the case of a Competing Offer which is a general offer, becomes unconditional in all respects); or
- (iv) **Paragon Material Adverse Effect:** by TPPL, if there has been an occurrence of a Paragon Material Adverse Effect,

in each case, provided that: (A) the relevant Party seeking to terminate the Implementation Agreement shall only terminate the Implementation Agreement with the prior consultation with the SIC, and subject to the SIC giving its approval for, and/or stating that it has no objection to, such termination of the Implementation Agreement and the Scheme not proceeding; and (B) the Party seeking to terminate the Implementation Agreement provides written notice to all the other Parties to terminate the Implementation Agreement (other than the surviving provisions) promptly upon the SIC stating that it has no objection to such termination and the Scheme not proceeding.

(b) **Switch Option**

If TPPL exercises the Switch Option, the Implementation Agreement (other than certain surviving provisions such as those relating to confidentiality, costs and expenses, and governing law) shall terminate with effect from the date of announcement by or on behalf of TPPL (or TPPL and the other joint offeror(s)) of a firm intention to make the Offer.

(c) **Non-fulfilment of Scheme Conditions**

The Implementation Agreement may be terminated (other than the surviving provisions):

- (i) in the event the Scheme Conditions in paragraphs (a)(i) (*Paragon Trust Deed Amendments Resolution*), (a)(ii) (*Paragon Scheme Resolution*), (b)(iii) (*Court Order*), (b)(iv) (*SGX-ST Approval*) or (h) (*Authorisations and Consents*) of **Appendix G** to this Scheme Document has not been satisfied (or, where applicable, has not been waived) by 11.59 p.m. on the Long-Stop Date, by any Party;

LETTER TO UNITHOLDERS

- (ii) in the event the Scheme Conditions in paragraphs (b)(i) (*MAS Approval for the Scheme*), (b)(ii) (*SIC Approval for the Scheme*), (c) (*Tax Approvals*) or (i) (*Third Parties*) of **Appendix G** to this Scheme Document has not been satisfied (or, where applicable, has not been waived) by 11.59 p.m. on the Long-Stop Date, by TPPL;
- (iii) in the event the Scheme Conditions in paragraphs (e)(i) (*No TPPL Prescribed Occurrence*) or (f)(i) (*No Breach of TPPL Warranties*) of **Appendix G** to this Scheme Document has not been satisfied (or, where applicable, has not been waived) on the Relevant Date, by the Paragon Manager and the Paragon Trustee;
- (iv) in the event the Scheme Conditions in paragraphs (e)(ii) (*No Paragon Prescribed Occurrence*) or (f)(ii) (*No Breach of Paragon Warranties*) of **Appendix G** to this Scheme Document has not been satisfied (or, where applicable, has not been waived) on the Relevant Date, by TPPL; or
- (v) in the event the Scheme Condition in paragraph (d) (*No Legal or Regulatory Restraint*) of **Appendix G** to this Scheme Document has not been satisfied (or, where applicable, has not been waived) on the Relevant Date, by any Party,

in each case, provided that (A) prior consultation with the SIC has been undertaken and the SIC has granted its approval for, and/or stated that it has no objection to, such termination of the Implementation Agreement and the Scheme not proceeding as a result of the non-satisfaction of such Scheme Condition; and (B) the Party seeking to terminate the Implementation Agreement provides written notice to all the other Parties to terminate the Implementation Agreement (other than certain surviving provisions) promptly upon the SIC giving its approval for, and/or stating that it has no objection to such termination of the Implementation Agreement and the Scheme not proceeding as a result of the non-satisfaction of such Scheme Condition.

(d) **Consultation with Other Parties**

In the event any Party intends to consult the SIC in relation to the termination of the Implementation Agreement, it shall give prior written notice of such intention to the other Parties.

(e) **Effect of Termination**

In the event of termination of the Implementation Agreement by any Party pursuant and subject to the terms of the Implementation Agreement, the Implementation Agreement shall cease to have any further force or effect and no Party shall have any further liability or obligation to the other Parties (save for the surviving provisions). The termination of the Implementation Agreement shall not prejudice the rights of either Party which have accrued or arisen prior to such termination.

(f) **Limitation of Liability**

- (i) Notwithstanding anything in the Implementation Agreement, the maximum monetary liability of TPPL to the Paragon Trustee and the Paragon Manager, in aggregate, under or in connection with all breaches of the Implementation Agreement shall be the amount of S\$5 million.

LETTER TO UNITHOLDERS

- (ii) Notwithstanding anything in the Implementation Agreement, the maximum monetary liability of the Paragon Trustee and the Paragon Manager, in aggregate, to TPPL under or in connection with all breaches of the Implementation Agreement shall be the amount of S\$5 million.

5.5 Conduct of PARAGON REIT's Business

(a) PARAGON REIT's General Obligations

The Paragon Trustee and the Paragon Manager shall, and shall procure that each Paragon Group Entity shall, during the period from the date of the Implementation Agreement to the Effective Date, save insofar as contemplated under the Implementation Agreement or agreed in writing by TPPL, carry on their respective businesses only in the usual, regular and ordinary course in the same manner as previously conducted and in compliance in all respects with all applicable laws and, to the extent consistent therewith, use reasonable commercial efforts to preserve intact their current business organisations, keep available the services of their current officers and employees and preserve their relationships with lessees, tenants, lenders, regulators, property managers and other Persons having business dealings with them, save that nothing in the Implementation Agreement shall prohibit the administration of the PUA Scheme in accordance with its terms and conditions (including but not limited to (i) the lapsing of and/or (ii) the acceleration and where applicable, payment to the relevant holders in cash, in respect of any outstanding awards granted under the PUA Scheme which remain unvested as at the Effective Date).

(b) Further PARAGON REIT Obligations

Without prejudice to the generality of Paragraph 5.5(a) of this Letter to Unitholders, the Paragon Trustee and the Paragon Manager shall not, and shall procure that each Paragon Group Entity shall not, during the period from the date of the Implementation Agreement to the Effective Date, without the prior written consent of TPPL (such consent not to be unreasonably withheld or delayed), take or refrain from taking any action which is reasonably within its power or control that would or is reasonably likely to result in a Paragon Prescribed Occurrence, save to the extent:

- (i) required by applicable laws and subject to any fiduciary duties and/or any legal, regulatory or statutory obligations; or
- (ii) required to give effect to and comply with the Implementation Agreement.

5.6 Exclusivity

During the Exclusivity Period:

- (a) the Paragon Trustee and the Paragon Manager shall not, and shall procure that none of their Affiliates or their respective Representatives or advisers shall:
 - (i) directly or indirectly solicit, invite, encourage or initiate any enquiries, negotiations or discussions, initiate any communication to procure proposals, or communicate any intention to any of the foregoing, with a view to obtaining, or to the extent reasonably likely to result in or lead to, any Competing Offer;

LETTER TO UNITHOLDERS

- (ii) negotiate or enter into, or participate in negotiations or discussions with any Person in relation to, any Competing Offer or any agreement, understanding or arrangement which would or is reasonably likely to result in or lead to a Competing Offer;
 - (iii) save to the extent required under applicable laws (including, for the avoidance of doubt, the Code), enable any Person (other than TPPL and its Representatives and advisers) to undertake due diligence on the Paragon Group, any Paragon Group Entity or their businesses or operations, or make available to any Person (other than TPPL and its Representatives and advisers), or permit such Person, to receive any non-public information relating to the Paragon Group, any Paragon Group Entity or their businesses or operations, in connection with the formulation, development or finalisation of an actual, proposed or potential Competing Offer (including by way of providing information and access to perform due diligence on the Paragon Group, any Paragon Group Entity or their businesses or operations); and
- (b) the Paragon Trustee and the Paragon Manager shall promptly notify TPPL if any of it, or its respective Affiliates, Representatives or advisers become aware of:
- (i) any Competing Offer received by it, or its respective Affiliates, Representatives or advisers during the Exclusivity Period; or
 - (ii) the provision by it, or its respective Affiliates, Representatives or advisers of any non-public information relating to the Paragon Group, any Paragon Group Entity or their businesses or operations to any Person during the Exclusivity Period, in connection with any Competing Offer,

save that the foregoing shall not apply to the extent that they restrict the Paragon Trustee or the Paragon Manager from taking or refusing to take any action with respect to a Competing Offer (which was not solicited, invited, encouraged or initiated by the Paragon Trustee, the Paragon Manager, or their respective Affiliates, Representatives or advisers, in contravention of Paragraph 5.6(a)(i) of this Letter to Unitholders), to the extent that the Paragon Directors have considered and are of the reasonable opinion in good faith, that failure to take such action would or is reasonably likely to be inconsistent or in conflict with the discharge of their fiduciary duties and/or the Paragon Independent Directors', the Paragon Trustee's and/or the Paragon Manager's legal, regulatory or statutory obligations (including obligations under the Code).

For the avoidance of doubt, nothing in this Paragraph 5.6 of this Letter to Unitholders shall prevent the Paragon Trustee or the Paragon Manager from:

- (A) continuing to make normal presentations to, and responding to enquiries from, brokers, portfolio investors, analysts and the Unitholders, in the ordinary course of business in relation to the Scheme or its business generally; or
- (B) fulfilling its continuing disclosure obligations in compliance with the Listing Manual.

The Paragon Trustee and the Paragon Manager shall not enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which any Person (other than TPPL and its Representatives) proposes to undertake or give effect to any Competing Offer unless, *inter alia*, the Paragon Trustee and the Paragon Manager have

LETTER TO UNITHOLDERS

given TPPL 10 Business Days after the date of the provision of information on the Competing Offer to TPPL in accordance with the terms of the Implementation Agreement (or such other time period as determined by the SIC) to provide, either on its own or together with any joint offeror(s), a matching or superior proposal to the terms of the Competing Offer, taken as a whole (including the same or higher consideration than the consideration payable to the Unitholders under the Competing Offer).

5.7 Switch Option

Pursuant to the terms of the Implementation Agreement, in the event of a Competing Offer or an intention to make a Competing Offer is announced or reasonably expected to be announced (whether or not such Competing Offer is pre-conditional):

- (a) TPPL has the right at its discretion to elect at any time, subject to prior consultation with the SIC to elect to proceed, either on its own or together with any joint offeror(s), by way of an Offer (in lieu of proceeding with the Scheme);
- (b) in such event, TPPL will, either on its own or together with any joint offeror(s), make the Offer on the same or better terms as those which apply to the Scheme or the Competing Offer (whichever is the higher), including the same or a higher consideration than the Scheme Consideration or the consideration payable to the Unitholders under the Competing Offer (whichever is the higher) for each Unit and conditional upon an acceptance condition to the Offer being set at a level to be determined with SIC's consent prior to the exercise of the Switch Option; and
- (c) if TPPL exercises the Switch Option, the Implementation Agreement (save for certain surviving provisions such as those relating to confidentiality, costs and expenses, and governing law) shall terminate with effect from the date of announcement by or on behalf of TPPL (or TPPL and the other joint offeror(s)) of a firm intention to make the Offer, and none of the Parties shall have any claim against the others under the Implementation Agreement (except for any claim in respect of any antecedent breaches and/or the surviving provisions).

5.8 Obligations of TPPL

Pursuant to the terms of the Implementation Agreement, TPPL shall execute all documents and do or cause to be done all acts and things necessary for the implementation of the Scheme, as expeditiously as practicable, including the obligations set out in **Appendix L** to this Scheme Document.

5.9 Obligations of PARAGON REIT

Pursuant to the terms of the Implementation Agreement, each of the Paragon Trustee (to the extent applicable for the implementation of the Scheme only and, for the avoidance of doubt, excluding paragraph (c) of **Appendix M** to this Scheme Document which shall be the obligation of the Paragon Manager only) and the Paragon Manager shall execute all documents and do or cause to be done all acts and things necessary for the implementation of the Scheme, as expeditiously as practicable, including the obligations set out in **Appendix M** to this Scheme Document.

LETTER TO UNITHOLDERS

5.10 Waiver of Rights to a General Offer

In accordance with the SIC's rulings as set out in Paragraph 7.2 of this Letter to Unitholders, Unitholders should note that by voting in favour of the Paragon Scheme Resolution, Unitholders will be regarded as having waived their rights to a general offer by TPPL and its concert parties to acquire the Units under the Code (in respect of the Scheme only) and are agreeing to TPPL and its concert parties acquiring or consolidating effective control of PARAGON REIT by way of the Scheme without having to make a general offer.

6. THE PARAGON TRUST DEED AMENDMENTS

Pursuant to the Paragon Trust Deed, the Paragon Manager is seeking the approval of the Unitholders by way of an Extraordinary Resolution at the EGM for the Paragon Trust Deed Amendments to be effected, so as to allow for the facilitation of the implementation of the Scheme and the delisting of PARAGON REIT.

Pursuant to the Paragon Trust Deed Amendments:

- (a) the Unitholders, the Paragon Trustee and the Paragon Manager shall do all things and execute all deeds, instruments, transfers or other documents as the Paragon Trustee and/or the Paragon Manager consider are necessary or desirable to execute, implement and/or to give full effect to the terms of the Scheme and the transactions contemplated by it and any other matters reasonably incidental thereto;
- (b) each Unitholder which is not a relevant intermediary who is entitled to attend and vote at the Scheme Meeting is, unless the Court orders otherwise, entitled to appoint only one (1) proxy to attend and vote at the Scheme Meeting and may only cast all the voting rights attached to his/her/its Units at the Scheme Meeting (whether in person or by proxy) in one (1) way. Where a Unitholder which is not a relevant intermediary appoints more than one (1) proxy, such additional appointments shall be invalid;
- (c) each Unitholder which is a relevant intermediary need not cast all the voting rights attached to the Units held on behalf of its sub-account holders in the same way and may appoint more than two (2) proxies in relation to the Scheme Meeting to exercise all or any of such Unitholder's rights to attend and to speak and vote at the Scheme Meeting, in accordance with the requirements set out in the Paragon Trust Deed Amendments, further details of which are set out under Paragraph 15.2 of this Letter to Unitholders below;
- (d) each of the Paragon Trustee and the Paragon Manager shall have the power to do all things which it considers necessary, desirable or reasonably incidental to execute, implement and/or to give effect to the Scheme and the transactions contemplated by it and any other matters reasonably incidental thereto;
- (e) if the Paragon Scheme Resolution is approved at the Scheme Meeting and upon granting of the Scheme Court Order, the Scheme shall come into effect on the Effective Date and shall be binding on the Paragon Trustee and the Paragon Manager and all Unitholders; and
- (f) the Paragon Manager may make an application to delist PARAGON REIT if the Unitholders approve the passing of the Paragon Scheme Resolution at the Scheme Meeting.

LETTER TO UNITHOLDERS

Please refer to **Appendix D** to this Scheme Document which sets out the Paragon Trust Deed Amendments.

For the avoidance of doubt, the Scheme Meeting will only be convened if the Paragon Trust Deed Amendments Resolution is approved at the EGM.

7. APPROVALS REQUIRED IN RESPECT OF THE SCHEME

7.1 Scheme

The Scheme will require, *inter alia*, the following approvals:

- (a) the approval of the Unitholders by way of an Extraordinary Resolution at the EGM to be convened to approve the Paragon Trust Deed Amendments Resolution;
- (b) the approval of a majority in number of the Minority Unitholders representing at least three-fourths in value of the Units held by the Minority Unitholders present and voting either in person or by proxy at Scheme Meeting for the Paragon Scheme Resolution; and
- (c) the Scheme Court Order being obtained.

The Paragon Scheme Resolution is contingent upon the approval of the Paragon Trust Deed Amendments Resolution at the EGM, held immediately prior to the Scheme Meeting.

In the event that the Paragon Trust Deed Amendments Resolution is not approved, the Paragon Manager will not proceed with the Scheme Meeting.

This means that the Scheme cannot be implemented by the Paragon Manager unless both the Paragon Trust Deed Amendments Resolution and the Paragon Scheme Resolution are approved at the EGM and the Scheme Meeting respectively.

For avoidance of doubt, the Paragon Trust Deed Amendments Resolution is not conditional on the Paragon Scheme Resolution being passed. In the event the Paragon Trust Deed Amendments Resolution is approved at the EGM, the Paragon Trust Deed will be amended to include the Paragon Trust Deed Amendments, whether or not the Paragon Scheme Resolution is passed.

In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

When the Scheme, with or without modification, becomes effective, it will be binding on all Unitholders, whether or not they were present in person or by proxy or voted at the Scheme Meeting.

LETTER TO UNITHOLDERS

7.2 SIC Confirmations

Pursuant to the application made by TPPL to the SIC to seek SIC's rulings and confirmations on certain matters in relation to the Scheme, the SIC has confirmed, *inter alia*, that:

- (a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code, subject to the following conditions:
 - (i) TPPL and its concert parties, as well as the common substantial shareholders of TPPL and its concert parties on one hand, and PARAGON REIT on the other hand, abstain from voting on the Scheme;
 - (ii) the directors of the Paragon Manager who are also directors of TPPL or who are acting in concert with those persons in sub-paragraph (i) above abstain from making a recommendation on the Scheme to the Unitholders;
 - (iii) this Scheme Document contains advice to the effect that by voting for the Scheme, the Unitholders are agreeing to TPPL and its concert parties acquiring or consolidating effective control of PARAGON REIT without having to make a general offer for PARAGON REIT;
 - (iv) this Scheme Document discloses the names of TPPL and its concert parties, their current voting rights in PARAGON REIT as of the Latest Practicable Date and their voting rights in PARAGON REIT after the Scheme;
 - (v) the Paragon Manager appointing an independent financial adviser to advise the Paragon Independent Directors on the Scheme;
 - (vi) the Scheme is approved by a majority in number representing three-fourths in value of the Unitholders present and voting either in person or by proxy at the Scheme Meeting;
 - (vii) the Paragon Manager obtains the approval of the Court for the Scheme under Order 32 of the Rules of Court (which is derived from, or deals with the same subject matter as, Order 80 of the revoked Rules of Court 2014 of Singapore); and
 - (viii) the Scheme being completed within six (6) months (unless extended with SIC's consent) from the date of the Implementation Agreement;
- (b) it has no objections to the Scheme Conditions. However, where the Scheme Conditions have been qualified as to materiality but have not been quantified, the test for materiality will be subject to a high standard. To satisfy such test, TPPL and/or the Paragon Manager would have to demonstrate that the relevant circumstances are of very considerable significance striking at the heart of the purpose of the Scheme;

LETTER TO UNITHOLDERS

- (c) with respect to the Switch Option:
 - (i) SIC has no objections to TPPL reserving its right to exercise the Switch Option, subject to:
 - (A) disclosure in the Joint Announcement and the Scheme Document of the fact that TPPL reserves the right to exercise the Switch Option in the event of a Competing Offer or in the event that an intention to make a Competing Offer is announced;
 - (B) the Offer being on the same or better terms as those which apply to the Scheme, including the same or higher consideration than the Scheme Consideration;
 - (C) the acceptance condition to the Offer being set at a level to be determined with SIC's consent prior to the exercise of the Switch Option; and
 - (D) consultation with SIC beforehand to determine the offer timetable that should apply to the Offer following the exercise of the Switch Option; and
 - (ii) the Scheme Conditions, to the extent applicable in the event of the Offer, may similarly be imposed as conditions to the Offer becoming unconditional in all respects, subject to TPPL consulting with SIC and seeking SIC's approval prior to invoking such Scheme Condition so as to cause the Offer to lapse.

8. DELISTING

Upon the Scheme becoming effective in accordance with its terms:

- (a) each Minority Unitholder will receive S\$0.9800 in cash for each Unit held by them, and will cease to hold any Units;
- (b) PARAGON REIT will be wholly-owned by the Cuscaden Peak Group; and
- (c) PARAGON REIT will, following settlement of the Scheme Consideration and subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

An application will be made to seek approval from the SGX-ST to delist and remove PARAGON REIT from the Official List of the SGX-ST in due course. The delisting will be conditional upon the receipt of a confirmation from the SGX-ST that it has no objections to the delisting of Paragon REIT, subject to, *inter alia*, the Scheme becoming effective in accordance with its terms.

UNITHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME, PARAGON REIT WILL, SUBJECT TO THE APPROVAL OF THE SGX-ST, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.

LETTER TO UNITHOLDERS

9. CONFIRMATION OF FINANCIAL RESOURCES

As stated in paragraph 13 of the Offeror's Letter, Citigroup Global Markets Singapore Pte. Ltd., being the financial adviser to TPPL in respect of the Scheme, confirms that sufficient financial resources are available to TPPL to satisfy in full the aggregate Scheme Consideration payable by TPPL for all the Units to be acquired by TPPL pursuant to the Scheme.

10. FEES

No fee is payable to the Paragon Manager in connection with the Scheme.

11. EGM

11.1 Convening of the EGM

As mentioned in Paragraph 7.1 of this Letter to Unitholders above, the EGM will be convened to seek the approval of Unitholders for the Paragon Trust Deed Amendments Resolution by way of an Extraordinary Resolution.

The EGM will be convened and held on 22 April 2025 at 2.30 p.m. to seek the approval of the Unitholders for the Paragon Trust Deed Amendments Resolution (with or without modifications) by way of an Extraordinary Resolution.

11.2 Notice

The Notice of EGM is set out in **Appendix P** to this Scheme Document. You are requested to take note of the date, time and venue of the EGM.

12. SCHEME MEETING

12.1 Convening of the Scheme Meeting

Pursuant to an application made by the Paragon Manager and the Paragon Trustee under Order 32 of the Rules of Court, and the Scheme Meeting Court Order, the Court has ordered, amongst other things, that:

- (a) the Paragon Manager and the Paragon Trustee be and are hereby granted liberty to convene the Scheme Meeting within three (3) months of the date of the Scheme Meeting Court Order for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme;
- (b) the Scheme Meeting shall be convened in the manner set out in **Appendix N** to this Scheme Document;
- (c) in the event the Scheme is approved by a majority in number of the Minority Unitholders representing at least three-fourths in value of the Units held by the Minority Unitholders present and voting either in person or by proxy at the Scheme Meeting, the Paragon Manager and the Paragon Trustee are hereby granted liberty to apply for the Court's approval of the Scheme under Order 32 of the Rules of Court, with such modifications as are approved at the Scheme Meeting (if any); and
- (d) each of the Paragon Manager and the Paragon Trustee shall have liberty to apply for further or other directions.

LETTER TO UNITHOLDERS

12.2 Notice

The Notice of Scheme Meeting is set out in **Appendix Q** to this Scheme Document. You are requested to take note of the date, time and venue of the Scheme Meeting.

13. IMPLEMENTATION OF THE SCHEME

13.1 Application to Court for Sanction

Upon receipt of the approval by the requisite majority of Minority Unitholders (as stated in Paragraph 7.1 of this Letter to Unitholders above) at the Scheme Meeting, an application will be made to the Court for the Scheme Court Order.

13.2 Procedure for Implementation

If the requisite majority of Unitholders approve the Paragon Trust Deed Amendments Resolution at the EGM and the Paragon Scheme Resolution at the Scheme Meeting, and the Court sanctions the Scheme by granting the Scheme Court Order, TPPL and the Paragon Manager will (subject to the Scheme Conditions having been satisfied or, as the case may be, waived in accordance with the Implementation Agreement) take the necessary steps to render the Scheme effective and binding, and the following will be implemented:

- (a) the Units will be transferred to TPPL as follows:
 - (i) in the case of Minority Unitholders (not being Depositors), the Paragon Manager shall authorise any person to execute or effect on behalf of all such Minority Unitholders an instrument or instruction of transfer of all the Units held by such Minority Unitholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Minority Unitholder; and
 - (ii) in the case of Minority Unitholders (being Depositors), the Paragon Manager shall instruct CDP, for and on behalf of such Minority Unitholders, to debit, not later than seven (7) Business Days after the Effective Date, all of the Units standing to the credit of the Securities Account(s) of such Minority Unitholders and credit all of such Units to the Securities Account(s) of TPPL;
- (b) from the Effective Date, all the existing confirmation notes relating to the Units held by Minority Unitholders (not being Depositors) will cease to be evidence of title of the Units represented thereby;
- (c) the Minority Unitholders (not being Depositors) are required to forward their existing confirmation notes relating to their Units to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation; and
- (d) TPPL shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Units set out in Paragraph 13.2(a) of this Letter to Unitholders above, make payment of the Scheme Consideration to the Minority Unitholders in the manner set out in Paragraph 13.3 of this Letter to Unitholders below.

LETTER TO UNITHOLDERS

13.3 The Scheme Consideration

TPPL shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Units set out in Paragraph 13.2(a) of this Letter to Unitholders above:

(a) **Minority Unitholders whose Units are not deposited with the CDP**

Pay each Minority Unitholder (not being a Depositor) by sending a cheque for the Scheme Consideration payable to and made out in favour of each Minority Unitholder by ordinary post to his/her/its address as appearing in the Register of Unitholders at the close of business on the Record Date, at the sole risk of such Minority Unitholder, or in the case of joint Minority Unitholders, to the first named Minority Unitholder made out in favour of such Minority Unitholder by ordinary post to his/her/its address as appearing in the Register of Unitholders at the close of business on the Record Date, at the sole risk of such joint Minority Unitholders.

In respect of such cheques relating to the Scheme Consideration posted to each Minority Unitholder (not being a Depositor):

- (i) on and after the date falling six (6) calendar months after the posting of such cheques relating to the Scheme Consideration, TPPL shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in TPPL's name with a licensed bank in Singapore selected by TPPL;
- (ii) TPPL or its successor entities shall hold such moneys until the expiration of six (6) years from the Effective Date and shall, prior to such date, make payments therefrom of the sums payable pursuant to Paragraph 13.3(a)(i) of this Letter to Unitholders to persons who satisfy TPPL or its successor entities that they are entitled thereto and that the cheques referred to in Paragraph 13.3(a) of this Letter to Unitholders for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by TPPL hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to this Paragraph 13.3(a)(ii) of this Letter to Unitholders; and
- (iii) on the expiry of six (6) years from the Effective Date, TPPL shall be released from any further obligation to make any payments of the Scheme Consideration under the Scheme.

LETTER TO UNITHOLDERS

(b) **Minority Unitholders whose Units are deposited with the CDP**

Pay each Minority Unitholder (being a Depositor) by making payment of the Scheme Consideration payable to such Minority Unitholder to CDP. CDP shall:

- (i) in the case of a Minority Unitholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Scheme Consideration payable to such Minority Unitholder to the designated bank account of such Minority Unitholder; and
 - (ii) in the case of a Minority Unitholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Scheme Consideration to such Minority Unitholder's Cash Ledger and such Scheme Consideration shall be subject to the same terms and conditions as applicable to "*Cash Distributions*" under CDP's "*The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions*" as amended, modified or supplemented from time to time, copies of which are available from CDP.
- (c) The despatch of payment of the Scheme Consideration by TPPL to each Minority Unitholder's address and/or CDP (as the case may be) in accordance with this Paragraph 13.3 of this Letter to Unitholders shall be deemed as a good discharge to TPPL and CDP of the Scheme Consideration represented thereby. Minority Unitholders should note that no further action is required in relation to the Scheme Consideration by any of TPPL, PARAGON REIT, the Paragon Manager, the Paragon Trustee and CDP upon despatch of payment of the Scheme Consideration in accordance with this Paragraph 13.3 of this Letter to Unitholders.
- (d) From the Effective Date, each existing confirmation note representing a former holding of Units by Minority Unitholders (not being Depositors) will cease to be evidence of title of the Units represented thereby. The Minority Unitholders (not being Depositors) shall forward their existing confirmation notes relating to their Units to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation.

LETTER TO UNITHOLDERS

14. VALUATION OF THE PARAGON PROPERTIES

14.1 Valuation

The Paragon Manager has commissioned the Valuers to conduct an independent valuation of the Paragon Properties as at 31 December 2024. The details of the valuation are as follows:

Paragon Property	Valuer	Valuation as at 31 December 2024		Valuation Methodologies
		Local currency (million)	(\$ million) ⁽¹⁾	
290 Orchard Road, The Paragon, Singapore 238859 (Tenure: 99 years leasehold interest commencing from 24 July 2013)	Jones Lang LaSalle Property Consultants Pte Ltd	S\$2,903.0	2,903.0	Discounted cash flow analysis and income capitalisation method
3155 Commonwealth Avenue West, The Clementi Mall, Singapore 129588 (Tenure: 99 years leasehold interest commencing from 31 August 2010)	Jones Lang LaSalle Property Consultants Pte Ltd	S\$645.0	645.0	Discounted cash flow analysis and income capitalisation method
Westfield Marion, 293 – 297 Diagonal Road, Oaklands Park, Adelaide, SA 5046 Australia (Tenure: Freehold). Represents PARAGON REIT's 50% interest in Westfield Marion Shopping Centre	Jones Lang LaSalle Advisory Services Pty Ltd	AUD580.0	490.2 ⁽²⁾	Discounted cash flow analysis and income capitalisation method

Notes:

- (1) Rounded to the nearest one (1) decimal place.
(2) Translated at exchange rates as at 31 December 2024; AUD1.00 = S\$0.8452.

Please refer to **Appendix F** to this Scheme Document for copies of the Valuation Certificates issued by the Valuers in respect of the Paragon Properties.

Copies of the Valuation Reports issued by the Valuers in respect of the Paragon Properties are available for inspection²² at the registered office of the Paragon Manager at 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859 during normal business hours from the date of this Scheme Document up to the Effective Date.

²² Prior appointment is required. Please contact PARAGON REIT's Investors Relations team (Telephone: +65 6631 8987).

LETTER TO UNITHOLDERS

14.2 Potential Tax Liability

Under Rule 26.3 of the Code, the Paragon Manager is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the Paragon Properties were to be sold at the amount of the valuation. Based on the independent updated property valuations of the Paragon Properties as at 31 December 2024, the potential tax liabilities that may be incurred by PARAGON REIT on the hypothetical asset sale of the Paragon Properties as at the Latest Practicable Date on an “as is” basis is zero. The actual tax liabilities that may arise in connection with such hypothetical asset sale will be dependent on a number of factors, including but not limited to the value, the tax laws and regulations and interpretations or practice thereof applicable at the time of disposal, and the holding period of the interest in the Paragon Properties that are subject to the disposal.

15. ACTION TO BE TAKEN BY UNITHOLDERS

A Unitholder who has Units entered against its name in (a) the Register of Unitholders; or (b) the Depository Register as at the cut-off time, being 72 hours prior to the time of the EGM and the time of the Scheme Meeting, respectively (being the time at which the name of the Unitholders must appear in the Register of Unitholders or the Depository Register, as having Units entered against its name in the said Registers), shall be entitled to attend, speak and vote, in person or by proxy, at the EGM and the Scheme Meeting, respectively.

Unitholders who are unable to attend the EGM and/or the Scheme Meeting are requested to complete the Proxy Form A (EGM) and/or the Proxy Form B (Scheme Meeting) in accordance with the instructions printed thereon and lodge them with the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. in the following manner:

- (a) if submitted electronically, be submitted via e-mail to srs.proxy@boardroomlimited.com; or
- (b) if submitted by post, be lodged at the office of Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

in either case, not less than 72 hours before the time fixed for each of the EGM and the Scheme Meeting, respectively.

15.1 EGM

A Unitholder which is not a relevant intermediary entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her/its stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one (1) proxy, the appointments shall be invalid unless he/she/it specifies the proportion of his/her/its holding (expressed as a percentage of the whole) to be represented by each proxy.

A Unitholder which is a relevant intermediary entitled to attend and vote at the EGM is entitled to appoint more than one (1) proxy to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one (1) proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form A (EGM).

LETTER TO UNITHOLDERS

The Notice of EGM is set out in Appendix P to this Scheme Document. Unitholders are requested to take note of the date, time and venue of the EGM.

15.2 Scheme Meeting

Unless the Court orders otherwise:

- (a) a Unitholder which is not a relevant intermediary who is entitled to attend and vote at the Scheme Meeting may appoint only one (1) proxy to attend and vote in his/her/its stead and may only cast all the voting rights attached to his/her/its Units at the Scheme Meeting (whether in person or by proxy) in one (1) way. Where a Unitholder which is not a relevant intermediary appoints more than one (1) proxy, such additional appointments shall be invalid;
- (b) in relation to any Unitholder which is a relevant intermediary:
 - (i) subject to Paragraph 15.2(b)(ii) of this Letter to Unitholders below, a Unitholder which is a relevant intermediary need not cast all the voting rights attached to the Units held on behalf of its sub-account holders in the same way, provided that (A) each vote is exercised in relation to a different Unit; and (B) the voting rights attached to all or any of the Units in each sub-account may only be cast at the Scheme Meeting in one (1) way but, for the avoidance of doubt, the voting rights of such Units need not be cast in the same way as the Units in another sub-account; and
 - (ii) a Unitholder which is a relevant intermediary may appoint more than two (2) proxies in relation to the Scheme Meeting to exercise all or any of such Unitholder's rights to attend and to speak and vote at the Scheme Meeting, but each proxy must be appointed to exercise the voting rights attached to a different Unit or Units held by the Unitholder on behalf of its sub-account holders (which number and class of Units must be specified), provided that no more than one (1) proxy may be given in respect of each sub-account which holds Units. Where a proxy is appointed in accordance with this Paragraph 15.2(b)(ii) of this Letter to Unitholders in respect of Units held on behalf of only one (1) sub-account holder, such proxy may only cast the voting rights attached to all or any of the Units in such sub-account at the Scheme Meeting in one (1) way; and
- (c) for the purposes of determining whether the Headcount Condition and the Value Condition are satisfied:
 - (i) each proxy appointed in accordance with Paragraph 15.2(a) of this Letter to Unitholders above and which casts a vote in respect of its Units for or against the Scheme shall be treated as:
 - (A) casting one (1) vote in number for the purposes of the Headcount Condition; and
 - (B) the value represented by the proxy for the purposes of the Value Condition shall be the number of Units in relation to which voting rights are being exercised by the proxy.

LETTER TO UNITHOLDERS

For the avoidance of doubt, where a person has been appointed as the proxy of more than one (1) Unitholder to vote at the Scheme Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing Unitholder for the purposes of the Headcount Condition and the Value Condition; provided that the proxy is exercising the voting rights attached to a different Unit or Units (which number and class of Units must be specified);

- (ii) each proxy appointed in accordance with Paragraph 15.2(b)(ii) of this Letter to Unitholders above or each sub-account holder on whose behalf the Unitholder which is a relevant intermediary holds Units, and which casts a vote in respect of its Units for or against the Scheme shall be treated as:
 - (A) casting one (1) vote in number for the purposes of the Headcount Condition; and
 - (B) the value represented by the proxy or sub-account holder for the purposes of the Value Condition shall be the number of Units in relation to which voting rights are being exercised by the proxy or the sub-account holder.

Where a person has been appointed as proxy in accordance with Paragraph 15.2(b)(ii) of this Letter to Unitholders above of more than one (1) sub-account holder to vote at the Scheme Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing sub-account holder for the purposes of the Headcount Condition and the Value Condition; provided that such proxy is exercising the voting rights attached to a different Unit or Units (which number and class of Units must be specified). The Unitholder which is a relevant intermediary shall submit to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by no later than 3.00 p.m. on 19 April 2025, either:

- (1) by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or
- (2) via e-mail to srs.proxy@boardroomlimited.com,

the list of these sub-account holder(s) (which sets out the name of each sub-account holder, the number of Units attributed to each sub-account holder, and whether the sub-account holder has voted in favour of or against the Scheme in respect of such Units). Each sub-account holder may only vote one (1) way in respect of all or any part of the Units in such sub-account; and

- (iii) where a Unitholder which is a relevant intermediary casts the voting rights attached to the Units held on behalf of its sub-account holder(s) both for and against the Scheme without submitting to the Unit Registrar the information required under Paragraph 15.2(c)(ii) of this Letter to Unitholders above then, without prejudice to the treatment of any proxies appointed in accordance with Paragraph 15.2(b)(ii) of this Letter to Unitholders above:
 - (A) such relevant intermediary shall be treated as casting one (1) vote in favour of the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes for the Scheme than against the Scheme;

LETTER TO UNITHOLDERS

- (B) such relevant intermediary shall be treated as casting one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes against the Scheme than for the Scheme;
- (C) such relevant intermediary shall be treated as casting one (1) vote for and one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts equal votes for and against the Scheme; and
- (D) with respect to each of the scenarios set out in Paragraphs 15.2(c)(iii)(A), 15.2(c)(iii)(B) and 15.2(c)(iii)(C) above, the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Units in relation to which voting rights “for” and “against” the Scheme are being exercised by the relevant intermediary.

For example, to illustrate – a Unitholder who is a relevant intermediary holds 100 Units on behalf of 10 sub-account holders who each beneficially own 10 Units.

Two (2) of these sub-account holders ask to attend the Scheme Meeting in person, one to vote “for” the Scheme and the other to vote “against” the Scheme. The relevant intermediary submits one (1) proxy form on behalf of each of these two (2) sub-account holders appointing each of them as proxies. Pursuant to Paragraph 15.2(c)(ii) above, the Paragon Manager and the Paragon Trustee shall treat the proxy who casts a vote “for” the Scheme as casting one (1) vote “for” for the purposes of the Headcount Condition (representing 10 Units “for” the Scheme for the purposes of the Value Condition) and the proxy who casts a vote “against” the Scheme as casting one (1) vote “against” for the purposes of the Headcount Condition (representing 10 Units “against” the Scheme for the purposes of the Value Condition).

Another two (2) of the sub-account holders do not ask to attend the Scheme Meeting in person. One of them instructs the relevant intermediary to vote “for” the Scheme and the other instructs the relevant intermediary to vote “against” the Scheme. The relevant intermediary submits one (1) proxy form for both these two (2) sub-account holders including the following information: (a) the name of these two (2) sub-account holders, (b) that 10 Units are attributed to each sub-account holder and (c) one (1) sub-account holder has voted “for” the Scheme and one (1) sub-account holder has voted “against” the Scheme. Pursuant to Paragraph 15.2(c)(ii) above, the Paragon Manager and the Paragon Trustee shall treat the sub-account holder who casts a vote “for” the Scheme as casting one (1) vote “for” for the purposes of the Headcount Condition (representing 10 Units “for” the Scheme for the purposes of the Value Condition) and the sub-account holder who casts a vote “against” the Scheme as casting one (1) vote “against” for the purposes of the Headcount Condition (representing 10 Units “against” the Scheme for the purposes of the Value Condition).

The remaining six (6) sub-account holders do not ask to attend the Scheme Meeting in person but:

- *Scenario 1: Five (5) of these sub-account holders give instructions to the relevant intermediary to vote “for” the Scheme while the remaining one (1) gives instructions to the relevant intermediary to vote “against” the Scheme. The relevant intermediary submits one (1) proxy form on behalf of these six (6) sub-account holders collectively indicating 50 Units “for” the Scheme and*

LETTER TO UNITHOLDERS

10 Units “against” the Scheme in the proxy form without specifying the names or number of sub-account holders, the number and class of Units held by each sub-account holder and the vote cast by each sub-account holder. Pursuant to Paragraph 15.2(c)(iii)(A) above, the Paragon Manager and the Paragon Trustee shall treat the relevant intermediary as casting one (1) vote for the Scheme for the purposes of the Headcount Condition (representing 50 Units “for” the Scheme and 10 Units “against” the Scheme for the purposes of the Value Condition).

- *Scenario 2: One (1) of these sub-account holders gives instructions to the relevant intermediary to vote “for” the Scheme while the remaining five (5) give instructions to the relevant intermediary to vote “against” the Scheme. The relevant intermediary submits one (1) proxy form on behalf of these six (6) sub-account holders collectively indicating 10 Units “for” the Scheme and 50 Units “against” the Scheme in the proxy form without specifying the names or number of sub-account holders, the number and class of Units held by each sub-account holder and the vote cast by each sub-account holder. Pursuant to Paragraph 15.2(c)(iii)(B) above, the Paragon Manager and the Paragon Trustee shall treat the relevant intermediary as casting one (1) vote against the Scheme for the purposes of the Headcount Condition (representing 10 Units “for” the Scheme and 50 Units “against” the Scheme for the purposes of the Value Condition).*
- *Scenario 3: Three (3) of these sub-account holders give instructions to the relevant intermediary to vote “for” the Scheme while the remaining three (3) give instructions to the relevant intermediary to vote “against” the Scheme. The relevant intermediary submits one (1) proxy form on behalf of these six (6) sub-account holders collectively indicating 30 Units “for” the Scheme and 30 Units “against” the Scheme in the proxy form without specifying the names or number of sub-account holders, the number and class of Units held by each sub-account holder and the vote cast by each sub-account holder. Pursuant to Paragraph 15.2(c)(iii)(C) above, the Paragon Manager and the Paragon Trustee shall treat the relevant intermediary as casting one (1) vote for and one (1) vote against the Scheme for the purposes of the Headcount Condition (representing 30 Units “for” the Scheme and 30 Units “against” the Scheme for the purposes of the Value Condition).*

Further details on the manner of convening the Scheme Meeting as ordered by the Court under the Scheme Court Order is set out in Appendix N to this Scheme Document and the Notice of Scheme Meeting is set out in Appendix Q to this Scheme Document.

15.3 Information relating to CPFIS Investors and SRS Investors

CPFIS Investors and SRS Investors who wish to participate in the EGM and the Scheme Meeting are advised to consult their respective CPF Agent Banks and SRS Agent Banks for further information and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice.

LETTER TO UNITHOLDERS

16. ELECTRONIC DESPATCH OF THE SCHEME DOCUMENT

Pursuant to the SIC Public Statement on Electronic Despatch, documents related to a take-over or merger transaction under the Code may be despatched electronically to Unitholders through publication on SGXNet and on the corporate website of PARAGON REIT. In line with the SIC Public Statement on Electronic Despatch, no printed copies of this Scheme Document will be despatched to the Unitholders (unless upon request). Instead, only printed copies of the Notice of EGM, the Notice of Scheme Meeting, the Proxy Form A (EGM), the Proxy Form B (Scheme Meeting) and the Request Form will be despatched to the Unitholders.

Electronic copies of this Scheme Document (together with the Notice of EGM, the Notice of Scheme Meeting, the Proxy Form A (EGM), the Proxy Form B (Scheme Meeting) and the Request Form) have been made available on SGXNet at <https://www.sgx.com/securities/company-announcements> and the website of PARAGON REIT at <https://www.paragonreit.com.sg/proposed-privatisation/>. A Unitholder will need an internet browser and PDF reader to view these documents on the SGXNet announcement page of PARAGON REIT and the corporate website of PARAGON REIT.

Unitholders (including Overseas Unitholders) may obtain printed copies of this Scheme Document by submitting the Request Form to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., either:

- (a) via e-mail to srs.requestform@boardroomlimited.com; or
- (b) by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

in either case, by no later than 5.00 p.m. on 14 April 2025.

Printed copies of this Scheme Document will be sent to the address in Singapore specified by the Unitholder by ordinary post at his/her/its own risk, up to five (5) Market Days prior to the date of the EGM and the Scheme Meeting.

17. INDEPENDENT FINANCIAL ADVISER TO THE PARAGON INDEPENDENT DIRECTORS AND THE PARAGON TRUSTEE

17.1 Appointment of the Paragon IFA

PrimePartners Corporate Finance Pte. Ltd. has been appointed as the independent financial adviser pursuant to Rule 1309(2) of the Listing Manual as well as to advise the Paragon Independent Directors and the Paragon Trustee on the terms of the Scheme, in compliance with the provisions of the Code.

Unitholders should consider carefully the recommendation of the Paragon Independent Directors and the advice of the Paragon IFA to the Paragon Independent Directors and to the Paragon Trustee before deciding whether or not to vote in favour of the Scheme.

The advice of the Paragon IFA in relation to the Scheme is set out in the Paragon IFA Letter as set out in **Appendix A** to this Scheme Document.

LETTER TO UNITHOLDERS

17.2 Paragon IFA Opinion on the Scheme

After having regard to the considerations set out in the Paragon IFA Letter and based on the information available to the Paragon IFA as at the Latest Practicable Date, the Paragon IFA has given its advice in respect of the Scheme to the Paragon Independent Directors and the Paragon Trustee (an extract of which is reproduced in italics below) and has advised the Paragon Independent Directors to recommend that the Minority Unitholders vote in favour of the Paragon Scheme Resolution.

Unitholders should read the following extract in conjunction with, and in the context of, the Paragon IFA Letter in its entirety as set out in **Appendix A** to this Scheme Document. Unless otherwise defined or the context otherwise requires, all capitalised terms below shall bear the same meanings ascribed to them in the Paragon IFA Letter.

“9 OPINION

In arriving at our opinion in respect of the Scheme, we have considered the following key considerations (which should be read in conjunction with, and in the context of, the full text of this letter):

9.1 Assessment of fairness of the Scheme

In determining the fairness of the Scheme, we have considered the following:

- (i) Based on PARAGON REIT’s NAV per Unit of S\$0.9385 as at 31 December 2024, the Scheme Consideration represents a slight premium of 4.4% over the NAV per Unit and the P/NAV ratio of PARAGON REIT as implied by the Scheme Consideration is 1.04 times;*
- (ii) Based on PARAGON REIT’s Adjusted NAV per Unit of S\$0.9152 as at 31 December 2024, the Scheme Consideration represents a premium of 7.1% over the Adjusted NAV per Unit and the P/Adjusted NAV ratio of PARAGON REIT as implied by the Scheme Consideration is 1.07 times;*
- (iii) Based on PARAGON REIT’s Ex-cash Adjusted NAV per Unit of S\$0.9013 as at 31 December 2024, the Scheme Consideration as adjusted for adjusted cash and cash equivalents of S\$0.0139 per Unit, is S\$0.9661 per Unit and, represents a premium of 7.2% over the Ex-cash Adjusted NAV per Unit;*
- (iv) For the 1-month, 3-month, 6-month, 1-year and 2-year periods up to and including the Last Trading Day prior to the Joint Announcement, the implied P/NAV of 1.04 times is above the average historical trailing P/NAV of the Units of 0.95 times, 0.94 times, 0.94 times, 0.93 times and 0.96 times respectively;*
- (v) after the Joint Announcement Date and up to and including the Latest Practicable Date, the implied P/NAV of 1.04 times is in line with the average historical trailing P/NAV ratio of the Units of 1.04 times;*
- (vi) as at Latest Practicable Date, the implied P/NAV of 1.04 times is slightly above the historical trailing P/NAV ratio of the Units of 1.03 times;*

LETTER TO UNITHOLDERS

(vii) *In respect of the Comparable REITs,*

- *the P/Adjusted NAV as implied by the Scheme Consideration of PARAGON REIT of 1.07 times is above the range of the P/Adjusted NAV ratios of the Comparable REITs and above the mean and median P/Adjusted NAV ratios of the Comparable REITs of 0.83 times and 0.73 times respectively;*

(viii) *In respect of the Precedent M&A Transactions:*

- *Paragon REIT has a P/Adjusted NAV ratio of 1.07 times which is within the range of P/Adjusted NAV ratios and higher than the mean (excluding the outlier) P/Adjusted NAV ratio and median (excluding the outlier) P/Adjusted NAV ratio of 1.06 times and 1.03 times respectively;*

(ix) *The Scheme Consideration of S\$0.9800 represents a premium of 4.3% to the mean target price of S\$0.9400 of the latest analyst research reports; and*

(x) *The Scheme Consideration of S\$0.9800 is above our estimated valuation range for the Units of between S\$0.9152 and S\$0.9701.*

*After careful consideration of the above factors, we are of the view that the financial terms of the Scheme is **FAIR**.*

9.2 Assessment of reasonableness of the Scheme

In determining the reasonableness of the Scheme, we have considered the following:

- (i) *During the 2-year Lookback Period, the Units had traded no higher than the Scheme Consideration;*
- (ii) *The Scheme Consideration of S\$0.9800 represents premia of 10.9%, 12.8%, 11.2%, 11.6% and 10.9% over the VWAP of the Units for the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to the release of the Joint Announcement respectively;*
- (iii) *The Scheme Consideration represents a premium of 10.1% over the closing price of the Units of S\$0.890 on the Last Trading Day;*
- (iv) *Between the Joint Announcement Date and up to and including the Latest Practicable Date, the Units had traded slightly above the Scheme Consideration during the cum distribution period and slightly below the Scheme Consideration during the ex distribution period and were last transacted at S\$0.965 on the Latest Practicable Date;*
- (v) *During the 2-year Lookback Period, the Units were traded every day PARAGON REIT was open for trading on the SGX-ST but the average daily traded volume of the Units for the 2-year, 1-year, 6-month, 3-month, 1-month periods and the Last Trading Day prior to the release of the Scheme was very low, representing 0.09%, 0.10%, 0.13%, 0.07%, 0.07% and 0.21% of the free float of the Units respectively;*

LETTER TO UNITHOLDERS

- (vi) *Subsequent to the Joint Announcement Date and up to and including the Latest Practicable Date, the trading liquidity of the Units increased to an average daily traded volume of approximately 2.91 million Units, representing approximately 0.27% of PARAGON REIT's free float. As at the Latest Practicable Date, the average daily traded volume was approximately 0.39 million Units, representing approximately 0.04% of PARAGON REIT's free float;*
- (vii) *For the 2-year period up to and including the Last Trading Day, the Units had generally performed below the rebased FSSTI, and the rebased FNRE during the period between 31 October 2023 and the Last Trading Day, whereas the Units had generally performed below the rebased iEDGE S-REIT during the period between 15 September 2023 and 8 April 2024;*
- (viii) *From the Last Trading Day and up to the Latest Practicable Date, the prices of the Units had increased significantly to outperform the rebased iEDGE S-REIT, the rebased FSSTI and the rebased FNRE, having increased by approximately 8.4% as compared to the increase of approximately 1.8% and 1.4% in the rebased iEDGE S-REIT and the rebased FSSTI respectively over the same period, and the decrease of approximately 1.1% in the rebased FNRE over the same period;*
- (ix) *In respect of the Comparable REITs,*
- the LTM Distribution Yield of 4.7% is below the range, mean and median of LTM Distribution Yields of Comparable REITs;*
- (x) *In respect of the Precedent M&A Transactions:*
- the premia implied by the Scheme Consideration to the last transacted price and VWAP for the 1-month, 3-month, 6-month and 12-month periods is within the range of the premia but below the mean and median premia over the last transacted prices and VWAPs of the target REIT/business trust of the Precedent M&A Transactions for the respective periods;*
- (xi) *The LTM Distribution Yield of PARAGON REIT as implied by the Scheme Consideration of 4.7% is below that of the S-REIT ETF of 5.8%. By comparing the LTM Distribution Yield of 4.7%, it suggests that a Unitholder may potentially receive a higher distribution yield through reinvesting an equivalent amount into the S-REIT ETF; and*
- (xii) *As at the Latest Practicable Date, apart from the Scheme being made by the Offeror, no alternative Scheme or proposal similar to or in competition with the Scheme has been received by PARAGON REIT.*

*After careful consideration of the above factors, we are of the view that the financial terms of the Scheme is **REASONABLE**.*

Having considered as at Latest Practicable Date the aforementioned factors set out in this letter and summarised in this section, we are of the opinion that the financial terms of the Scheme are fair and reasonable. Based on our opinion, we advise the Paragon Independent Directors to recommend that Minority Unitholders vote in favour of the Scheme, unless Minority Unitholders are able to obtain a price higher than the Scheme Consideration, taking into account all the brokerage commissions or transactions costs in connection with open market transactions.

LETTER TO UNITHOLDERS

18. INDEPENDENCE OF THE PARAGON DIRECTORS

18.1 Independence of the Relevant Directors

- (a) The SIC has ruled that the Relevant Directors are exempted from making or assuming responsibility for any recommendation on the Scheme that the Paragon Independent Directors may make to Unitholders, in accordance with the terms of the exemption granted by the SIC for the reasons set out below:
- (i) Mr. Yong Choon Miao, Gerald is the Chief Executive Officer and director of CPI and CP, and a director of TPPL. He is also one of the non-independent directors nominated to the board of the Paragon Manager by CPI;
 - (ii) Ms. Lim May Ling Ginney is a director of various entities in the Cuscaden Peak Group and is also one of the non-independent directors nominated to the board of the Paragon Manager by CPI;
 - (iii) Mr. Eugene Paul Lai Chin Look and Ms. Chua Kheng Yeng, Jennie hold non-executive directorships on certain entities which are presumed to be acting in concert with the Offeror. As a matter of prudence and to avoid placing them in a position of perceived conflict, they will abstain from making a recommendation on the Scheme; and
 - (iv) Ms. Hoo Sheau Farn is a partner in the Corporate Real Estate department of Allen & Gledhill LLP. Allen & Gledhill LLP are the legal advisers to the Offeror in connection with the Scheme. While Ms. Hoo Sheau Farn is not herself involved in advising the Offeror in relation to the Scheme, as a matter of prudence and to avoid any perception of conflict given Allen & Gledhill LLP's role as adviser to the Offeror, she will abstain from making a recommendation on the Scheme.
- (b) Each of the Relevant Directors must, however, still assume responsibility for the accuracy of facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Paragon Manager in connection with the Scheme.
- (c) In addition, as a matter of prudence and to avoid placing any of the Relevant Directors in a position of perceived conflict, each of the Relevant Directors will also abstain from making a recommendation on the Paragon Trust Deed Amendments to Unitholders, for the reasons set out in Paragraph 18.1(a) of this Letter to Unitholders.
- (d) Save for the Relevant Directors, all other Paragon Directors consider themselves independent for the purposes of making a recommendation on the Scheme to the Unitholders.

19. RECOMMENDATIONS BY THE PARAGON INDEPENDENT DIRECTORS

19.1 Recommendation

(a) Recommendation on the Paragon Trust Deed Amendments

Having regard to the rationale for the Paragon Trust Deed Amendments, the Paragon Independent Directors are of the opinion that the Paragon Trust Deed Amendments would be beneficial to, and be in the interests of, PARAGON REIT.

LETTER TO UNITHOLDERS

Accordingly, the Paragon Independent Directors recommend that Unitholders **VOTE IN FAVOUR** of the Paragon Trust Deed Amendments Resolution at the EGM.

(b) **Recommendation on the Scheme**

Acting in accordance with their fiduciary duties and upon extensive evaluation, the Paragon Independent Directors are of the view that the Scheme represents the most attractive and credible option available which, if it becomes effective, delivers immediate deal certainty (from a timing and execution perspective) to Unitholders, by allowing Unitholders to fully monetise their investment in their Units in cash at an attractive Scheme Consideration and the ability to redeploy their funds to other investments, if desired and are therefore proposing the Scheme for the consideration of the Unitholders. The Paragon Independent Directors have considered carefully the terms of the Scheme and the advice given by the Paragon IFA in the Paragon IFA Letter and have taken into account the various factors set out in the Paragon IFA Letter (an extract of which is set out in Paragraph 17.2 of this Letter to Unitholders above).

In light of the foregoing, the Paragon Independent Directors recommend that Minority Unitholders **VOTE IN FAVOUR** of the Paragon Scheme Resolution at the Scheme Meeting.

The Unitholders are reminded that upon the Scheme becoming effective in accordance with its terms, it will be binding on all Unitholders, whether or not they attended or voted at the Scheme Meeting, and, if they attended and voted at the Scheme Meeting, whether or not they voted in favour of the Paragon Scheme Resolution.

The Unitholders should also be aware and note that there is no assurance that the trading volumes and market prices of the Units will be maintained at the current levels prevailing as at the Latest Practicable Date if the Scheme does not become effective and binding for whatever reason. The Unitholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

The Unitholders should read and consider carefully this Scheme Document in its entirety, in particular, the advice of the Paragon IFA in the Paragon IFA Letter as set out in **Appendix A** to this Scheme Document before deciding whether or not to vote in favour of the Paragon Scheme Resolution.

19.2 **Additional Considerations for Unitholders**

The Paragon Independent Directors advise Unitholders, in deciding whether or not to vote in favour of the Paragon Scheme Resolution, to carefully consider the advice of the Paragon IFA and in particular, the various considerations highlighted by the Paragon IFA in the Paragon IFA Letter as set out in **Appendix A** to this Scheme Document.

Unitholders should note that the trading of the Units is subject to, *inter alia*, the performance and prospects of PARAGON REIT, prevailing economic conditions, economic outlook and stock market conditions and sentiments.

LETTER TO UNITHOLDERS

Unitholders should also be aware that market, economic, financial, industry, monetary, regulatory and other conditions may change over a relatively short period of time. Unitholders may wish to take note of any announcements which may be released after the date of the Paragon IFA Letter.

In giving the above recommendation, the Paragon Independent Directors have not had regard to the specific objectives, financial situation, tax position, tax status, risk profiles or particular needs and constraints and circumstances of any individual Unitholder.

As each Unitholder would have different investment objectives and profiles, the Paragon Independent Directors recommend that the Unitholders who may require advice in the context of their investment portfolio should consult his/her/its stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

20. VOTING ON THE PARAGON TRUST DEED AMENDMENTS RESOLUTION AND THE PARAGON SCHEME RESOLUTION

20.1 Abstention from Voting on the Paragon Trust Deed Amendments Resolution

- (a) Each of the Paragon Manager, TPPL and any associate (as defined under the Listing Manual) thereof (including, for the avoidance of doubt, CP and CPI) will abstain from voting on the Paragon Trust Deed Amendments Resolution.
- (b) The Relevant Directors who hold Units will also abstain from voting on the Paragon Trust Deed Amendments Resolution as a matter of prudence.

20.2 Abstention from Voting on the Paragon Scheme Resolution

- (a) In accordance with the SIC's rulings as set out in Paragraph 7.2(a)(i) of this Letter to Unitholders above, TPPL and its concert parties (including the Cuscaden Peak Group and the other persons specified in Schedule 2 to the Offeror's Letter) will abstain from voting on the Paragon Scheme Resolution.
- (b) The Relevant Directors who hold Units will also abstain from voting on the Paragon Scheme Resolution as a matter of prudence.
- (c) In addition, the Paragon Manager will abstain from voting on the Paragon Scheme Resolution pursuant to Rule 748(5) of the Listing Manual.

20.3 Proxy Appointment

Accordingly, each of the parties named in Paragraphs 20.1 and 20.2 of this Letter to Unitholders above shall decline to accept appointment as proxy to attend and vote at the EGM and the Scheme Meeting respectively.

20.4 Paragon Independent Directors

As at the Latest Practicable Date, none of the Paragon Independent Directors legally and/or beneficially own any Units.

LETTER TO UNITHOLDERS

21. CLOSURE OF BOOKS

21.1 Notice of Record Date

Subject to the Paragon Trust Deed Amendments Resolution and the Paragon Scheme Resolution being passed and the sanction of the Scheme by the Court, notice of the Record Date will be given in due course for the purposes of determining the entitlements of the Unitholders to the Scheme Consideration under the Scheme.

The Record Date is expected to be on 23 May 2025 at 5.00 p.m.. The Paragon Manager will make a further announcement on the Record Date in due course.

21.2 Transfer of Units after Record Date

No transfer of the Units where the confirmation notes relating thereto are not deposited with CDP may be effected after the Record Date, unless such transfer is made pursuant to the Scheme.

21.3 Trading in Units on the SGX-ST

The Scheme is tentatively scheduled to become effective and binding on or about 26 May 2025 and accordingly (assuming the Scheme becomes effective and binding on 26 May 2025), subject to the approval of the SGX-ST, PARAGON REIT is expected to be delisted and removed from the Official List of the SGX-ST after the settlement of the Scheme Consideration. It is therefore expected that, subject to the approval of the SGX-ST, the Units will cease to be traded on the SGX-ST on or about 14 May 2025 at 5.00 p.m., being seven (7) Market Days before the expected Record Date on 23 May 2025 at 5.00 p.m..

Unitholders (not being Depositors) who wish to trade in their Units on the SGX-ST are required to deposit with CDP their confirmation notes relating to their Units, together with the duly executed instruments of transfer in favour of CDP, together with the duly executed instruments of transfer in favour of CDP, eight (8) Market Days prior to the tentative last day for trading of the Units.

22. SETTLEMENT AND REGISTRATION PROCEDURES

22.1 Subject to the Scheme becoming effective, the following settlement and registration procedures will apply:

(a) Minority Unitholders whose Units are not deposited with CDP

Entitlements of Minority Unitholders (not being Depositors) whose Units are not deposited with CDP under the Scheme will be determined on the basis of their holdings of Units appearing in the Register of Unitholders at 5.00 p.m. on the Record Date. Minority Unitholders (not being Depositors) who have not already registered their holdings of the Units are requested to take the necessary action to ensure that the Units owned by them are registered in their names or in the names of their nominees by the Record Date.

From the Effective Date, each existing confirmation note representing a former holding of Units by the Minority Unitholders (not being Depositors) will cease to be evidence of title to the Units represented thereby.

LETTER TO UNITHOLDERS

Within seven (7) Business Days of the Effective Date, TPPL shall make payment of the Scheme Consideration to each Minority Unitholder (not being a Depositor) based on his/her/its holding of the Units as at 5.00 p.m. on the Record Date.

(b) **Minority Unitholders whose Units are deposited with CDP**

Entitlements of Minority Unitholders (being Depositors) under the Scheme will be determined on the basis of the number of Units standing to the credit of their Securities Accounts at 5.00 p.m. on the Record Date. Minority Unitholders (being Depositors) who have not already done so are requested to take the necessary action to ensure that the Units owned by them are credited to their Securities Accounts by 5.00 p.m. on the Record Date.

Following the Effective Date, CDP will debit all the Units standing to the credit of each relevant Securities Account of each Minority Unitholder (being a Depositor) and credit all of such Units to the Securities Account(s) of TPPL.

Within seven (7) Business Days of the Effective Date, CDP shall, based on the number of Units standing to the credit of the Securities Account of the Minority Unitholders (being Depositors) as at 5.00 p.m. on the Record Date, make payment of the Scheme Consideration of S\$0.9800 in cash for each Unit to the Minority Unitholders.

23. OVERSEAS UNITHOLDERS

23.1 Overseas Unitholders

The applicability of the Scheme to Overseas Unitholders, whose addresses are outside Singapore, as shown on the Register of Unitholders, or as the case may be, in the records of CDP, may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Unitholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Overseas Unitholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.

23.2 Copies of Scheme Document

Where there are potential restrictions on sending this Scheme Document and any related documents to any overseas jurisdiction, TPPL and the Paragon Manager reserve the right not to send such documents to the Unitholders in such overseas jurisdiction.

Electronic copies of this Scheme Document (together with the Notice of EGM, the Notice of Scheme Meeting, the Proxy Form A (EGM), the Proxy Form B (Scheme Meeting) and the Request Form) have been made available on SGXNet at <https://www.sgx.com/securities/company-announcements> and the website of PARAGON REIT at <https://www.paragonreit.com.sg/proposed-privatisation/>. A Unitholder will need an internet browser and PDF reader to view these documents on the SGXNet announcement page of PARAGON REIT and the corporate website of PARAGON REIT.

LETTER TO UNITHOLDERS

Unitholders (including Overseas Unitholders) may obtain printed copies of this Scheme Document by submitting the Request Form to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., either:

- (a) via e-mail to srs.requestform@boardroomlimited.com; or
- (b) by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

in either case, by no later than 5.00 p.m. on 14 April 2025.

Printed copies of this Scheme Document will be sent to the address in Singapore specified by the Unitholder by ordinary post at his/her/its own risk, up to five (5) Market Days prior to the date of the EGM and the Scheme Meeting.

It is the responsibility of any Overseas Unitholder who wishes to request for this Scheme Document and any related documents or participate in the Scheme to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for this Scheme Document and any related documents or participating in the Scheme, the Overseas Unitholder represents and warrants to the Paragon Manager that he/she/it is in full observance of the laws of the relevant jurisdiction in that connection, and that he/she/it is in full compliance with all necessary formalities or legal requirements.

For the avoidance of doubt, the Scheme is being proposed to all Unitholders (including Overseas Unitholders), including those to whom this Scheme Document will not be, or may not be, sent, provided that this Scheme Document does not constitute an offer to, or a solicitation of, any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

If any Overseas Unitholder is in any doubt about his/her/its position, he/she/it should consult his/her/its professional adviser in the relevant jurisdiction.

23.3 Notice

TPPL and the Paragon Manager each reserves the right to notify any matter, including the fact that the Scheme has been proposed, to any or all Unitholders (including Overseas Unitholders) by announcement via SGXNet or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Unitholder (including any Overseas Unitholder) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as PARAGON REIT remains listed on the SGX-ST, the Paragon Manager will continue to notify all Unitholders (including Overseas Unitholders) of any matter relating to the Scheme by announcement via SGXNet.

Notwithstanding that any Overseas Unitholder may not receive the Notice of EGM or the Notice of Scheme Meeting, he/she/it shall be bound by the Scheme if the Scheme becomes effective in accordance with its terms.

LETTER TO UNITHOLDERS

23.4 Foreign Jurisdiction

It is the responsibility of any Overseas Unitholder who wishes to participate in the Scheme to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. Each Overseas Unitholder represents and warrants to TPPL, the Paragon Trustee and the Paragon Manager that he/she/it is in full observance of the laws of the relevant jurisdiction in that connection, and that he/she/it is in full compliance with all necessary formalities or legal requirements. If any Overseas Unitholder is in any doubt about his/her/its position, he/she/it should consult his/her/its professional adviser in the relevant jurisdiction.

23.5 Tax

Unitholders should consult their own tax advisers on the possible tax implications (if any) of the Scheme or any other transactions contemplated by this Scheme Document. Depending on the individual circumstances of each Unitholder, including his/her/its tax residence and the size of his/her/its holdings in PARAGON REIT, he/she/it may realise or be deemed under applicable tax laws, regulations and rules to realise a gain or loss arising from the Scheme or any other transactions contemplated by this Scheme Document which is taxable or, as the case may be, not permitted to be deductible in any applicable jurisdiction.

24. RESPONSIBILITY STATEMENT

The Paragon Directors (including those who may have delegated detailed supervision of this Scheme Document) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Scheme Document (other than the information in Paragraphs 4.1(c), 4.3, 4.4, 4.5 and 4.6 of this Letter to Unitholders and **Appendices A, B and F** to this Scheme Document, and any information relating to or any opinion or rationale expressed by TPPL, the Paragon IFA and/or the Valuers) are fair and accurate and that there are no other material facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document misleading. Subject to the paragraph below, the Paragon Directors jointly and severally accept responsibility accordingly.

Where any information in this Scheme Document has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including TPPL, the Paragon IFA and/or the Valuers), the sole responsibility of the Paragon Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Scheme Document in its proper form and context. The Paragon Directors do not accept any responsibility for any information relating to, or any opinion or rationale expressed by, TPPL, the Paragon IFA and/or the Valuers.

In respect of the Paragon IFA Letter, the sole responsibility of the Paragon Directors has been to ensure that the facts stated with respect to the Paragon Group are fair and accurate.

LETTER TO UNITHOLDERS

25. GENERAL INFORMATION

Your attention is drawn to the further relevant information in the Appendices to this Scheme Document.

Yours faithfully

By Order of the Board of Directors

PARAGON REIT Management Pte. Ltd.
(Company Registration No. 201305497E)
As manager of PARAGON REIT

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**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

PRIMEPARTNERS CORPORATE FINANCE PTE. LTD.

16 Collyer Quay
#10-00 Collyer Quay Centre
Singapore 049318

27 March 2025

To: The Paragon Independent Directors of **PARAGON REIT Management Pte. Ltd.**
(as manager of PARAGON REIT) (the “**Paragon Manager**”)
290 Orchard Road
#14-05/06, The Paragon
Singapore 238859

DBS Trustee Limited (as trustee of PARAGON REIT) (the “**Paragon Trustee**”)
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

Dear Sirs

**INDEPENDENT FINANCIAL ADVICE TO THE PARAGON INDEPENDENT DIRECTORS AND
THE PARAGON TRUSTEE IN RESPECT OF THE PROPOSED PRIVATISATION OF PARAGON
REIT BY WAY OF A TRUST SCHEME OF ARRANGEMENT**

*Unless otherwise defined or the context otherwise requires, all terms defined in the scheme document issued by the Paragon Manager on behalf of PARAGON REIT dated 27 March 2025 (the “**Scheme Document**”) shall have the same meaning herein.*

1 INTRODUCTION

On 11 February 2025 (the “**Joint Announcement Date**”), the respective boards of directors of the Paragon Manager, and Times Properties Private Limited (“**TPPL**” or the “**Offeror**”) (a wholly-owned subsidiary of Cuscaden Peak Pte. Ltd. (“**CP**” and together with its subsidiaries, the “**Cuscaden Peak Group**”), jointly announced the proposed privatisation of PARAGON REIT, which shall be effected through the acquisition by TPPL of all the units in PARAGON REIT (the “**Units**”) held by the unitholders of PARAGON REIT (the “**Unitholders**”) other than CP and its subsidiaries (the “**Minority Unitholders**”), by way of a trust scheme of arrangement (the “**Scheme**”) in compliance with the Singapore Code on Take-overs and Mergers (the “**Code**”) and the Paragon Trust Deed (as defined in paragraph 3.7 of this letter) (“**Joint Announcement**”).

On 11 February 2025, in connection with the Scheme, TPPL, the Paragon Manager and the Paragon Trustee (each, a “**Party**” and collectively, the “**Parties**”) entered into an implementation agreement (the “**Implementation Agreement**”) setting out the terms and conditions on which the Parties will implement the Scheme. Pursuant to the Implementation Agreement, TPPL will, subject to the Scheme becoming effective in accordance with its terms, pay or procure the payment of a sum of S\$0.9800 in cash (the “**Scheme Consideration**”) for each Unit held by each of the Minority Unitholders as at the Record Date (as defined below). The Scheme Consideration will not be reduced or otherwise adjusted for the 2H FY2024 Distribution of 2.33 Singapore cents for each Unit in cash.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

Accordingly, in the event the Scheme becomes effective in accordance with its terms, the Minority Unitholders who are entitled to and have received or will receive payment of the 2H FY2024 Distribution shall have the right to retain the 2H FY2024 Distribution in addition to the Scheme Consideration.

In connection with the Scheme, PrimePartners Corporate Finance Pte. Ltd. (“**PPCF**”) has been appointed as the independent financial adviser (“**IFA**”) pursuant to Rule 1309(2) of the Listing Manual as well as under the Code to advise the Paragon Trustee and the directors of the Manager who are deemed independent in respect of the Scheme (the “**Paragon Independent Directors**”) as to whether the financial terms of the Scheme are fair and reasonable, and for the purpose of the Paragon Independent Directors making a recommendation on the actions to be taken by the Unitholders. This letter sets out, *inter alia*, our views and evaluation of the financial terms of the Scheme and our opinion thereon and forms part of the Scheme Document providing, *inter alia*, details of the Scheme and the recommendation of the Paragon Independent Directors.

2 TERMS OF REFERENCE

We have been appointed as the IFA pursuant to Rule 1309(2) of the Listing Manual, as well as under the Code and the rulings and confirmations of the SIC in respect of the Scheme to advise (i) the Paragon Independent Directors for the purposes of making a recommendation to the Minority Unitholders in connection with the Scheme; and (ii) the Paragon Trustee on the Scheme. We have confined our evaluation to the financial terms of the Scheme and have not taken into account the commercial risks and/or commercial merits of the Scheme.

Our terms of reference do not require us to evaluate or comment on the rationale for, or the strategic or long-term merits of the Scheme or on the future prospects of PARAGON REIT or the method and terms by which the Scheme is made or any other alternative methods by which the Scheme may be made. As set out in paragraph 4 of the Letter to Unitholders in the Scheme Document, the Offeror has set out an illustrative financial impact of the capital expenditure on the reduction in the net property income for FY2024 in relation to a Potential AEI. However, as the Potential AEI was an estimate made by the Offeror, we have not relied on such financial projections or forecasts in respect of PARAGON REIT in our evaluation to the financial terms of the Scheme.

We are not required to express and we do not express any view herein on the growth prospects, financial position and earnings potential of PARAGON REIT or its portfolio. We are also not expressing any view herein as to the prices at which the Units may trade if the Scheme does not proceed to completion. Such evaluations and comments remain the sole responsibility of the TPPL Directors and/or the Paragon Directors (as the case may be), although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion as set out in this letter.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

We are not authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Units. We are therefore not addressing the relative merits of the Scheme as compared to any alternative transaction that may be available to the Paragon Manager, PARAGON REIT (or the Unitholders), or as compared to any alternative Scheme or offer that might otherwise be available in the future. We were not involved in the negotiations pertaining to the Scheme nor were we involved in the deliberation leading up to the decision to put forth the Scheme.

In the course of our evaluation of the financial terms of the Scheme, we have relied on, and assumed without independent verification, the accuracy and completeness of published information relating to PARAGON REIT. We have also relied to a considerable extent on information provided and representations made, including relevant financial analyses and estimates, by the management of Paragon Manager (the “**Management**”), the Directors, the solicitors and auditors. We have not independently verified such information or any representation or assurance made by them, whether written or verbal, and accordingly cannot and do not make any representation or warranty, express or implied, in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information, representation or assurance. We have nevertheless made such reasonable enquiries and exercised our judgement as we deemed necessary and have found no reason to doubt the reliability of the information.

We have relied upon the assurances of the Management that upon making all reasonable inquiries and to the best of their respective knowledge, information and belief, all material information in connection with the Scheme and PARAGON REIT has been disclosed to us, that such information is true, complete and accurate in all material respects and that there is no other information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to PARAGON REIT stated in the Scheme Document to be inaccurate, incomplete or misleading in any material respect, in each case, as at 20 March 2025 (the “**Latest Practicable Date**” (except as disclosed in the Scheme Document where the Scheme Document expressly specifies a different date)). The Paragon Directors jointly and severally accept responsibility for the information contained in the Scheme Document (other than the sections specifically excluded in paragraph 24 of the Letter to Unitholders in the Scheme Document).

Our analysis and opinion as set out in this letter is based upon market, economic, industry, monetary and other conditions in effect on, and the information provided to us as at the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. Unitholders should further take note of any announcement(s) relevant to their consideration of the Scheme which may be released by the Paragon Manager and/or the Offeror after the Latest Practicable Date.

We have not made any independent evaluation or appraisal of the assets and liabilities (including, without limitation, derivative financial instruments and the Paragon Properties) of PARAGON REIT or its portfolio. In connection with the reporting of PARAGON REIT’s financial results for FY2024 and the Scheme, the Paragon Manager has commissioned Jones Lang LaSalle Property Consultants Pte Ltd and Jones Lang LaSalle Advisory Services Pty Ltd (the “**Valuers**”) to carry out independent property valuations of the Paragon Properties. Copies of the valuation summary letters and certificates (“**Valuation Certificates**”) of the Paragon Properties are set out in Appendix F to the Scheme Document.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

We are not experts in the evaluation or appraisal of the assets concerned and we have placed sole reliance on the independent valuations conducted by the Valuers for such appraisal and have not made any independent verification of the contents thereof. In particular, we do not assume any responsibility to enquire about the basis of the valuation contained in their Valuation Certificates or if the contents thereof have been prepared and/or included in the Scheme Document in accordance with all applicable regulatory requirements and professional standards including the Code and the International Valuation Standards.

In rendering our opinion, we have not had regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual Unitholder. As each Unitholder would have different investment objectives and profiles, we would advise the Paragon Independent Directors to recommend that any individual Unitholder who may require specific advice in relation to his investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately. As such, our opinion should not be the sole basis for deciding whether or not to vote in favour of the Scheme.

The Paragon Manager has been separately advised by its own advisers in the preparation of the Scheme Document (other than this letter). We have had no role or involvement and have not and will not provide any advice (financial or otherwise) in the preparation, review and verification of the Scheme Document (other than this letter). Accordingly, we take no responsibility for and express no views, express or implied, on the contents of the Scheme Document (other than this letter).

Whilst a copy of this letter may be reproduced in the Scheme Document for the purpose of the Scheme, neither the Paragon Manager, the Paragon Trustee nor any other person may reproduce, disseminate or quote this letter (or any part thereof) for any other purpose, at any time and in any manner without the prior written consent of PPCF in each specific case.

We have prepared this letter as required under the Code and the rulings and confirmations of the SIC in respect of the Scheme and pursuant to Rule 1309(2) of the Listing Manual as well as addressed this letter to the Paragon Independent Directors and the Paragon Trustee for their benefit and deliberation of the Scheme. The recommendation made to the Unitholders on the Scheme shall remain the responsibility of the Paragon Independent Directors.

Our opinion in respect of the Scheme, as set out in paragraph 9 of this letter, should be considered in the context of the entirety of this letter and the Scheme Document.

3 KEY TERMS OF THE SCHEME

Copies of the Scheme Document, setting out, *inter alia*, the terms and conditions of the Scheme have been made available to Unitholders. The principal terms and conditions of the Scheme are set out in paragraph 5 of the Letter to Unitholders in the Scheme Document. **Unitholders are advised to read the terms and conditions of the Scheme set out in the Scheme Document carefully.**

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

3.1 The Scheme

The Scheme is proposed to be effected in accordance with the Code and the Paragon Trust Deed (as amended by the Paragon Trust Deed Amendments), subject to the terms and conditions of the Implementation Agreement. Under the Scheme:

(a) subject to the Scheme becoming effective and binding in accordance with its terms, all the Units held by the Minority Unitholders, as at the Record Date, will be transferred to TPPL:

(i) fully paid;

(ii) free from any charge, claim, hypothecation, lien, mortgage, power of sale, retention of title, or security interest of any kind over and in respect of such asset or real property, any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which any such asset or real property is subject or any right or option for the sale or purchase of any such asset or real property and any other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing; and

(iii) together with all rights, benefits and entitlements as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all rights and distributions (if any) declared by the Paragon Manager on or after the Joint Announcement Date, except for the 2H FY2024 Distribution,

such that on and from the Scheme Settlement Date, the Cuscaden Peak Group will hold 100% of the Units; and

(b) in consideration for such transfer of the Units and subject to the Scheme becoming effective in accordance with its terms, TPPL agrees to pay or procure the payment of the Scheme Consideration for each Unit held by each Minority Unitholder as at the Record Date, in accordance with the terms and conditions of the Implementation Agreement.

For the avoidance of doubt:

(i) the Scheme Consideration will not be reduced by the 2H FY2024 Distribution and the Minority Unitholders who are entitled to and have received payment of the 2H FY2024 Distribution shall have the right to receive and retain the 2H FY2024 Distribution in addition to the Scheme Consideration; and

(ii) in the event any Excess Distribution is declared, made or paid by the Paragon Manager on or after the date of the Implementation Agreement, TPPL shall have the right to adjust the Scheme Consideration so as to reduce the amount of Scheme Consideration payable for each Unit by an amount equivalent to such Excess Distribution.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

3.2 Scheme Consideration

Based on the Units held by the Minority Unitholders as at the Latest Practicable Date, the aggregate Scheme Consideration payable for all the Units held by the Minority Unitholders is S\$1,071,190,010.38. In consideration of the transfer of the Units and subject to paragraph 3.3(c) below, TPPL will, subject to the Scheme becoming effective in accordance with its terms, pay or procure the payment of a sum of S\$0.9800 in cash for each Unit (the “**Scheme Consideration**”) held by each of the Minority Unitholders as at the Record Date in accordance with the terms and conditions of the Implementation Agreement.

3.3 2H FY2024 Distribution

- (a) On the Joint Announcement Date, the Paragon Manager declared the 2H FY2024 Distribution of 2.33 Singapore cents for each Unit in cash, in respect of 2H FY2024, which distribution will be paid to entitled Unitholders on 28 March 2025.
- (b) The Scheme Consideration will not be reduced or otherwise adjusted for the 2H FY2024 Distribution. Accordingly, in the event the Scheme becomes effective in accordance with its terms, the Minority Unitholders who are entitled to and have received payment of the 2H FY2024 Distribution shall have the right to retain the 2H FY2024 Distribution in addition to the Scheme Consideration.
- (c) In the event that any Excess Distribution is declared, made or paid by the Paragon Manager on or after the Joint Announcement Date, TPPL shall have the right to adjust the Scheme Consideration so as to reduce the amount of Scheme Consideration payable for each Unit by an amount equivalent to such Excess Distribution.

3.4 Scheme Conditions

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the Scheme Conditions. The Scheme Conditions and the status of each Scheme Condition is set out in Appendix G to the Scheme Document.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

3.5 Effective Date

The Scheme will become effective upon the written notification to the MAS of the grant of the Scheme Court Order, which shall be effected by or on behalf of TPPL on a date to be mutually agreed in writing between TPPL and the Paragon Manager, being a date within 25 Business Days from the date that the last of the Scheme Conditions set out in paragraphs (a) (*Unitholders' Approvals*), (b) (*Regulatory Approvals*), (c) (*Tax Approvals*), (h) (*Authorisations and Consents*) and (i) (*Third Parties*) of Appendix G of the Scheme Document is satisfied (or, where applicable, waived) in accordance with the terms of the Implementation Agreement, and provided that the rest of the Scheme Conditions set out in paragraphs (d) (*No Legal or Regulatory Restraint*), (e) (*No Prescribed Occurrence*), (f) (*No Breach of Warranties*) and (g) (*No Paragon Material Adverse Effect*) of Appendix G of the Scheme Document are satisfied (or, where applicable, waived) on the Relevant Date, as the case may be, in accordance with the terms of the Implementation Agreement.

3.6 Switch Option

Pursuant to the terms of the Implementation Agreement, in the event of a Competing Offer or an intention to make a Competing Offer is announced or reasonably expected to be announced (whether or not such Competing Offer is pre-conditional):

- (a) TPPL has the right at its discretion to elect at any time, subject to prior consultation with the SIC to elect to proceed, either on its own or together with any joint offeror(s), by way of an Offer (in lieu of proceeding with the Scheme);
- (b) in such event, TPPL will, either on its own or together with any joint offeror(s), make the Offer on the same or better terms as those which apply to the Scheme or the Competing Offer (whichever is higher), including the same or a higher consideration than the Scheme Consideration or the consideration payable to the Unitholders under the Competing Offer (whichever is the higher) for each Unit and conditional upon an acceptance condition to the Offer being set at a level to be determined with SIC's consent prior to the exercise of the Switch Option; and
- (c) if TPPL exercises the Switch Option, the Implementation Agreement (save for certain surviving provisions such as those relating to confidentiality, costs and expenses, and governing law) shall terminate with effect from the date of announcement by or on behalf of TPPL (or TPPL and the other joint offeror(s)) of a firm intention to make the Offer, and none of the Parties shall have any claim against the others hereunder (except for any claim in respect of any antecedent breaches and/or the surviving provisions).

3.7 The Paragon Trust Deed Amendments

Pursuant to the Paragon Trust Deed, the Paragon Manager is seeking the approval of the Unitholders by way of an Extraordinary Resolution at the EGM for the Paragon Trust Deed Amendments to be effected, so as to allow for the facilitation of the implementation of the Scheme and the delisting of PARAGON REIT.

Unitholders should note that the Scheme Meeting will only be convened if the Paragon Trust Deed Amendments Resolution is approved at the EGM.

Further details on the Paragon Trust Deed Amendments are set out in paragraph 6 of the Letter to Unitholders and Appendix D of the Scheme Document.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

3.8 Approvals required in respect of the Scheme

The information on the approvals required in respect as set out below in italics have been extracted from paragraph 7 of the Letter to Unitholders in the Scheme Document. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Scheme Document.

“7.1 Scheme

The Scheme will require, inter alia, the following approvals:

- (a) the approval of the Unitholders by way of an Extraordinary Resolution at the EGM to be convened to approve the Paragon Trust Deed Amendments Resolution;*
- (b) the approval of a majority in number of the Minority Unitholders representing at least three-fourths in value of the Units held by the Minority Unitholders present and voting either in person or by proxy at Scheme Meeting for the Paragon Scheme Resolution; and*
- (c) the Scheme Court Order being obtained.*

The Paragon Scheme Resolution is contingent upon the approval of the Paragon Trust Deed Amendments Resolution at the EGM, held immediately prior to the Scheme Meeting.

In the event that the Paragon Trust Deed Amendments Resolution is not approved, the Paragon Manager will not proceed with the Scheme Meeting.

This means that the Scheme cannot be implemented by the Paragon Manager unless both the Paragon Trust Deed Amendments Resolution and the Paragon Scheme Resolution are approved at the EGM and the Scheme Meeting respectively.

For avoidance of doubt, the Paragon Trust Deed Amendments Resolution is not conditional on the Paragon Scheme Resolution being passed. In the event the Paragon Trust Deed Amendments Resolution is approved at the EGM, the Paragon Trust Deed will be amended to include the Paragon Trust Deed Amendments, whether or not the Paragon Scheme Resolution is passed.

In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

When the Scheme, with or without modification, becomes effective, it will be binding on all Unitholders, whether or not they were present in person or by proxy or voted at the Scheme Meeting.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

7.2 SIC Confirmations

Pursuant to the application made by TPPL to the SIC to seek SIC's rulings and confirmations on certain matters in relation to the Scheme, the SIC has confirmed, inter alia, that:

- (a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code, subject to the following conditions:*
 - (i) TPPL and its concert parties, as well as the common substantial shareholders of TPPL and its concert parties on one hand, and PARAGON REIT on the other hand, abstain from voting on the Scheme;*
 - (ii) the directors of the Paragon Manager who are also directors of TPPL or who are acting in concert with those persons in sub-paragraph (i) above abstain from making a recommendation on the Scheme to the Unitholders;*
 - (iii) this Scheme Document contains advice to the effect that by voting for the Scheme, the Unitholders are agreeing to TPPL and its concert parties acquiring or consolidating effective control of PARAGON REIT without having to make a general offer for PARAGON REIT;*
 - (iv) this Scheme Document discloses the names of TPPL and its concert parties, their current voting rights in PARAGON REIT as of the Latest Practicable Date and their voting rights in PARAGON REIT after the Scheme;*
 - (v) the Paragon Manager appointing an independent financial adviser to advise the Paragon Independent Directors on the Scheme;*
 - (vi) the Scheme is approved by a majority in number representing three-fourths in value of the Unitholders present and voting either in person or by proxy at the Scheme Meeting;*
 - (vii) the Paragon Manager obtains the approval of the Court for the Scheme under Order 32 of the Rules of Court (which is derived from, or deals with the same subject matter as, Order 80 of the revoked Rules of Court 2014 of Singapore); and*
 - (viii) the Scheme being completed within six (6) months (unless extended with SIC's consent) from the date of the Implementation Agreement;*
- (b) it has no objections to the Scheme Conditions. However, where the Scheme Conditions have been qualified as to materiality but have not been quantified, the test for materiality will be subject to a high standard. To satisfy such test, TPPL and/or the Paragon Manager would have to demonstrate that the relevant circumstances are of very considerable significance striking at the heart of the purpose of the Scheme;*

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

- (c) *with respect to the Switch Option:*
- (i) *SIC has no objections to TPPL reserving its right to exercise the Switch Option, subject to:*
- (A) *disclosure in the Joint Announcement and the Scheme Document of the fact that TPPL reserves the right to exercise the Switch Option in the event of a Competing Offer or in the event that an intention to make a Competing Offer is announced;*
- (B) *the Offer being on the same or better terms as those which apply to the Scheme, including the same or higher consideration than the Scheme Consideration;*
- (C) *the acceptance condition to the Offer being set at a level to be determined with SIC's consent prior to the exercise of the Switch Option; and*
- (D) *consultation with SIC beforehand to determine the offer timetable that should apply to the Offer following the exercise of the Switch Option; and*
- (ii) *the Scheme Conditions, to the extent applicable in the event of the Offer, may similarly be imposed as conditions to the Offer becoming unconditional in all respects, subject to TPPL consulting with SIC and seeking SIC's approval prior to invoking such Scheme Condition so as to cause the Offer to lapse."*

3.9 Delisting

Upon the Scheme becoming effective in accordance with its terms:

- (a) each Minority Unitholder will receive S\$0.9800 in cash for each Unit held by them, and will cease to hold any Units;
- (b) PARAGON REIT will be wholly-owned by the Cuscaden Peak Group; and
- (c) PARAGON REIT will, following settlement of the Scheme Consideration and subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

An application will be made to seek approval from the SGX-ST to delist and remove PARAGON REIT from the Official List of the SGX-ST in due course. The delisting will be conditional upon the receipt of a confirmation from the SGX-ST that it has no objections to the delisting of PARAGON REIT, subject to, *inter alia*, the Scheme becoming effective in accordance with its terms.

Unitholders should note that by voting in favour of the Scheme, PARAGON REIT will, subject to the approval of the SGX-ST, be delisted from the Official List of the SGX-ST if the Scheme becomes effective and binding in accordance with its terms.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

3.10 Further details of the Scheme

Further details of the Scheme are set out in Appendix O to the Scheme Document, including details on (i) Scheme Conditions and Effectiveness of the Scheme; (ii) Terms of the Scheme; (iii) Scheme Consideration; and (iv) Effective Date.

4 INFORMATION ON PARAGON REIT AND THE PARAGON MANAGER

PARAGON REIT

PARAGON REIT is a REIT constituted under the Paragon Trust Deed on 9 July 2013 and was listed on the Mainboard of the SGX-ST on 24 July 2013. PARAGON REIT is a Singapore-based REIT established principally to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for retail purposes in Asia-Pacific, as well as real estate-related assets. As at the Latest Practicable Date, PARAGON REIT's portfolio comprises Paragon and The Clementi Mall located in Singapore, and a 50% stake in Westfield Marion Shopping Centre located in Australia.

As at the Latest Practicable Date, PARAGON REIT has 2,839,010,006 Units in issue.

The Paragon Manager

PARAGON REIT is managed by the Paragon Manager, which was incorporated in Singapore on 1 March 2013 and currently holds a capital markets services licence for REIT management pursuant to the SFA.

As at the Latest Practicable Date, the Paragon Manager has an issued and paid-up share capital of S\$1,000,000 comprising 1,000,000 ordinary shares in issue and no treasury shares.

The Paragon Manager is wholly-owned by TPPL, which is in turn an indirect wholly-owned subsidiary of CP. CPI (a wholly-owned subsidiary of CP) is the sponsor of PARAGON REIT. Upon completion of the Scheme, it is envisaged that all the Units will be held by Cuscaden Peak Group.

The directors of the Paragon Manager are:

- (a) Dr. Leong Horn Kee (Chairman, Non-Executive and Non-Independent Director);
- (b) Ms. Chua Kheng Yeng, Jennie (Deputy Chairman, Non-Executive and Independent Director);
- (c) Mr. Eugene Paul Lai Chin Look (Non-Executive and Lead Independent Director);
- (d) Mrs. Trina Loh Soh Yong (Non-Executive and Independent Director);
- (e) Ms. Hoo Sheau Farn (Non-Executive and Independent Director);
- (f) Mr. Bernard Phang Sin Min (Non-Executive and Independent Director);
- (g) Mr. Raymond John Ferguson (Non-Executive and Independent Director);
- (h) Ms. Lim May Ling Ginney (Non-Executive and Non-Independent Director); and
- (i) Mr. Yong Choon Miao, Gerald (Non-Executive and Non-Independent Director);

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

As at the Latest Practicable Date, PARAGON REIT has 2,839,010,006 Units, and 1,615,643 outstanding awards granted under the PUA Scheme, pursuant to which a maximum of 2,423,465 Units may be granted to eligible employees of the Paragon Manager and the property manager, Straits Retail Property Management Services Pte. Ltd. (subject to final achievement factor and fulfilment of the terms and conditions set out in the PUA Scheme). All Units to be granted pursuant to the PUA Scheme are transferred from the Paragon Manager's own holdings of Units. The Paragon Manager has on 3 March 2025 transferred 251,880 Units to such employees to satisfy the grants which have vested as at 31 August 2024⁽¹⁾. Subject to the Scheme becoming effective, it is expected that the remaining awards will either lapse or be encashed in accordance with the terms of the PUA Scheme.

Further information on PARAGON REIT and the Paragon Manager can be found in Appendix C to the Scheme Document.

5 INFORMATION ON TPPL

The information on the Offeror as set out below in italics have been extracted from paragraph 2 of the Letter to Unitholders in the Scheme Document. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Scheme Document.

“2. INFORMATION ON TPPL AND CPI

As stated in paragraph 4 of the Offeror's Letter:

2.1 TPPL

TPPL is a company incorporated in Singapore. TPPL is a wholly-owned subsidiary of CPI, the sponsor of PARAGON REIT. CPI is in turn a wholly-owned subsidiary of CP. The shareholders of CP are Adenium Pte. Ltd. (a wholly-owned subsidiary of CLA Real Estate Holdings Pte. Ltd.) and Mapletree Fortress Pte. Ltd. (an indirect wholly-owned subsidiary of Mapletree Investments Pte Ltd), each holding 50% of the ordinary shares of CP. The principal activities of TPPL include investment holding, letting properties and the provision of property management services. TPPL is the direct holding company of the Paragon Manager.

2.2 TPPL Directors

As at the Latest Practicable Date, the directors of TPPL are:

- (a) Mr. Yong Choon Miao, Gerald; and*
- (b) Ms. Chin Yean Cheng.*

2.3 Additional information relating to TPPL and CPI is set out in Schedule 3 to the Offeror's Letter.”

(1) The SIC has confirmed in its ruling dated 5 February 2025 that such a transfer will not constitute a breach of Rule 11.2 of the Code.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

6 RATIONALE FOR THE SCHEME AND THE OFFEROR’S FUTURE INTENTIONS FOR PARAGON REIT

6.1 Rationale for the Scheme and the Offeror’s future intentions for PARAGON REIT

The information on the rationale of the Scheme and the Offeror’s future intentions for PARAGON REIT as set out below in italics have been extracted from paragraph 4 of the Letter to Unitholders in the Scheme Document. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Scheme Document.

“4. RATIONALE FOR THE SCHEME AND OFFEROR’S FUTURE INTENTIONS FOR PARAGON REIT

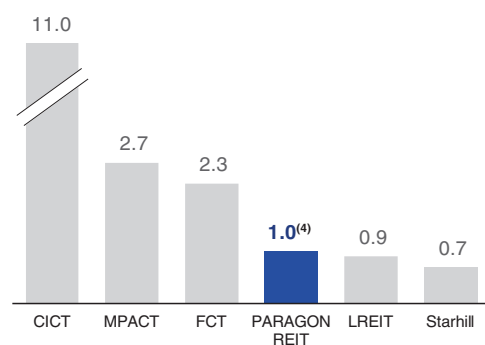
The figures, prices and charts as set out in this Paragraph 4 are with reference to the relevant periods up to and including 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date.

As stated in paragraphs 3.1 to 3.6 of the Offeror’s Letter:

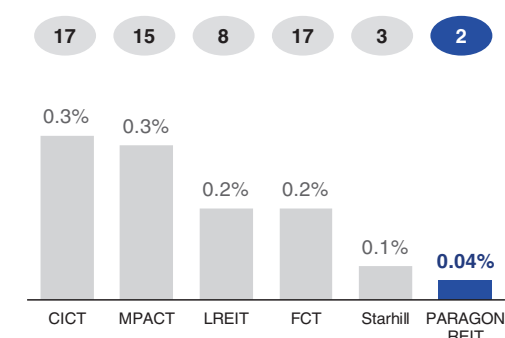
4.1 PARAGON REIT faces trading conditions that constrain its potential for sustained growth

(a) *PARAGON REIT has one of the lowest free floats among its Retail S-REIT Peers and has historically experienced low trading liquidity, with an average of 0.04% of Units outstanding (approximately S\$1.0 million) traded per day over the last 12 months.³ Despite its inclusion in the FTSE EPRA Nareit Developed Index on 20 September 2021, PARAGON REIT has the lowest analyst research coverage among peers and has attracted limited institutional investor flow compared to its Retail S-REIT Peers.*

Retail S-REIT Free Float by Market Capitalisation
(S\$bn)



12M Average Daily Trading Volume
(% of Total Units Outstanding)
Analyst Coverage
(# of Analysts)



Source: Company Filings, FactSet as at 10 February 2025

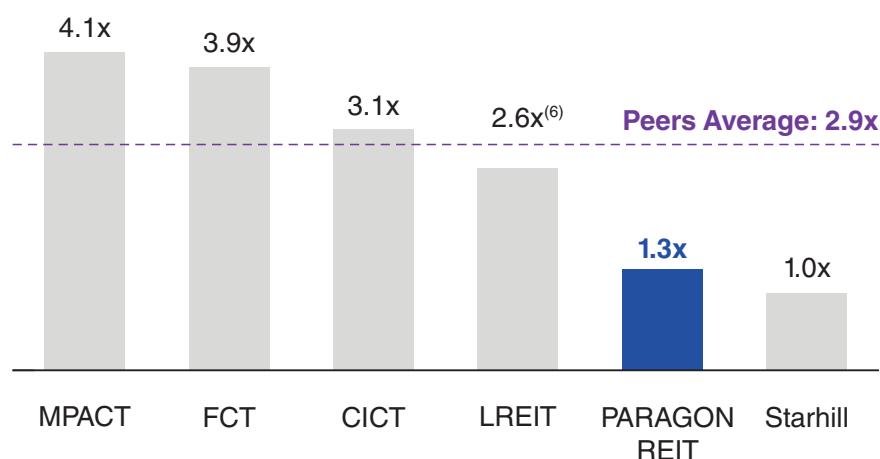
³ For the period between 10 February 2024 and 10 February 2025.

⁴ PARAGON REIT’s free float excludes Units held by Cuscaden Peak and its subsidiaries and is computed based on the free float Units of 1,093 million multiplied by the closing price of the Units on 10 February 2025 of S\$0.890.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

- (b) *These trading conditions may put PARAGON REIT at a disadvantage when looking to access capital markets compared to its Retail S-REIT Peers, and consequently may restrict its ability to expand its portfolio. Since its IPO in July 2013, PARAGON REIT's total assets have grown 1.3x, which, in comparison, is less than the 2.9x average of its Retail S-REIT Peers.*

Retail S-REITs – Total Portfolio Growth Since 2013⁽⁵⁾



Source: Company Filings, FactSet as at 10 February 2025

- (c) *For the reasons above, the Offeror believes that despite its listed status, PARAGON REIT faces trading conditions that will continue to constrain its potential for sustained growth and long-term value creation.*

4.2 PARAGON REIT's portfolio comprises three (3) assets, with Paragon accounting for 72% of value. However, Paragon's premier upscale status is being challenged with increased competition from (i) upcoming new retail malls in the surrounding catchment and (ii) existing competing malls undergoing major upgrades

- (a) *PARAGON REIT's portfolio is concentrated, with Paragon representing approximately 72% of PARAGON REIT's total appraised value for FY2024.⁷ Therefore, PARAGON REIT's value is dependent on the performance of Paragon.*
- (b) *While Paragon continues to be one of the leading upscale retail malls in Singapore, the mall is over 30 years old and is facing increasing competition from the surrounding catchment.*

⁵ Based on latest total assets disclosed as at 10 February 2025, being the last full trading day immediately prior to the Joint Announcement Date, since PARAGON REIT's IPO in July 2013.

⁶ For the period between 31 July 2019 and 10 February 2025.

⁷ The Clementi Mall represents approximately 16% of PARAGON REIT's FY2024 total appraised value and PARAGON REIT's 50% stake in Westfield Marion Shopping Centre represents approximately 12% of PARAGON REIT's FY2024 total appraised value.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

- (c) *Competing retail assets of a similar vintage in central Singapore have undergone major upgrades in recent times. Redevelopments in the nearby Tanglin area, such as Ming Arcade, Tanglin Shopping Centre, Forum The Shopping Mall, voco Orchard Singapore, and HPL House, are also expected to significantly ramp up competition in Orchard Road in the coming years once completed. In contrast, Paragon's last major upgrade was over 15 years ago in 2009, involving an approximately S\$82 million investment to mainly refresh Paragon's façade and expand retail space.*
- (d) *In addition to the increasing competitive pressures, the luxury retail environment may remain challenging in the near to medium term. International luxury spending is currently only at 74% of its 2019 peak.⁸ A persistent slowdown in luxury spending recovery would put further pressure on Paragon's performance – for FY2024, tenant sales declined approximately 5.5% year-on-year to S\$654 million (versus S\$692 million in the financial year ended 31 December 2023), indicating early signs of pressure.*

4.3 To future-proof Paragon's competitive positioning, the Offeror seeks to rejuvenate Paragon through a Potential AEI

- (a) *Having considered the above factors, the Offeror believes that a major Potential AEI for Paragon is necessary to maintain its long-term competitiveness as a leading upscale retail mall in Singapore.*
- (b) *The Offeror, as a significant Unitholder, intends to collaborate closely with PARAGON REIT to facilitate the implementation of such a Potential AEI, which it believes will also be for the benefit of tenants and shoppers.*
- (c) *The Offeror envisions that a Potential AEI could include significant upgrades to the exterior and interior of Paragon, and the potential scope of work could include:*
 - (i) *upgrades to façade and interiors;*
 - (ii) *reconfiguration and optimisation of retail and circulation spaces;*
 - (iii) *improved connectivity and accessibility;*
 - (iv) *upgrades and replacement of Mechanical & Electrical (M&E) services and equipment; and*
 - (v) *other works that may be beneficial to improving and maintaining the long-term competitiveness of Paragon.*
- (d) *The Offeror does not intend to redevelop or change the underlying use of Paragon. A Potential AEI would also not increase the GFA as the existing plot ratio has been fully utilised based on current permits and regulations.*

⁸ Source: Intercontinental Group of Department Stores (May 2024).

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

- (e) *Notwithstanding the above, Unitholders should note that concepts relating to a Potential AEI remain preliminary and will require, among other things, further feasibility assessments, an in-depth study of execution plausibility and timeline as well as regulatory approvals.*

4.4 Given the execution risks associated with a significant Potential AEI, including uncertainties around cost and timing, a Potential AEI would be more suitably carried out in a private setting

- (a) *The Offeror envisions that future-proofing Paragon through a Potential AEI could require a sizeable capital investment and potentially take three (3) to four (4) years⁹ to complete, with the potential for completion to be extended subject to approvals required and delays in the construction project schedule. This capital investment would be in addition to potential business-as-usual capital expenditures that the Offeror believes will be required in the next few years for routine upgrades, end-of-life replacements, and compliance with the latest building codes.*
- (b) *Illustratively, based on precedent AEIs capital expenditure per square foot (psf)¹⁰ for retail and office properties in Singapore of approximately S\$330 – S\$590 psf, the Offeror believes a potential total capital expenditure for Paragon’s GFA could be approximately S\$300 million – S\$600 million (representing approximately 10% – 21% of Paragon’s appraised value for FY2024).*
- (c) *A Potential AEI carries significant execution risks that are inherent to such large-scale construction projects, including but not limited to ongoing business disruptions arising from the construction, uncertainties around cost and timing, and potential changes in market conditions that may impact leasing demand and/or rental rates. To minimise business disruptions, the Offeror believes a Potential AEI should be implemented in phases without a complete closure of Paragon.*
- (d) *Given that a Potential AEI is subject to further in-depth feasibility assessments, there is significant uncertainty as to the parameters for, and the impact of, such Potential AEI on PARAGON REIT. For illustrative and hypothetical purposes only, the Offeror has set out a sensitivity analysis in Part 1 of Schedule 1 to the Offeror’s Letter for the impact of variations in capital expenditure for a Potential AEI and fluctuations to the Paragon NPI on the Adjusted DPU, Adjusted DPU Yield and Adjusted Aggregate Leverage of PARAGON REIT for FY2024.¹¹*

9 In line with precedent office/retail S-REIT asset enhancement initiatives.

10 The range for capital expenditure per square foot of gross floor area has been derived based on office and retail asset enhancement initiative precedents, adjusted for capital expenditure inflation from the year of each asset enhancement initiative to 2026 using the BCA Tender Price Index.

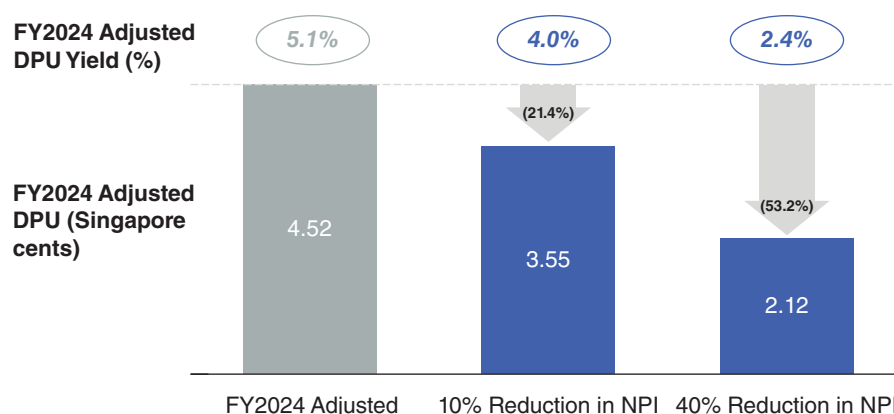
11 Adjusted DPU, Adjusted DPU Yield and Adjusted Aggregate Leverage based on excluding the impact of divestments undertaken or announced by PARAGON REIT in 2024. Please refer to Schedule 1 to the Offeror’s Letter.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

(e) As an illustration (as prepared by the Offeror):

- (i) assuming (A) a Potential AEI capital expenditure of S\$300 million is fully funded by debt and fully drawn down in FY2024 at an all-in finance cost of 4.4%,¹² and (B) a fluctuation in the Paragon NPI for FY2024 of between 10% – 40%, which would collectively result in a decrease in net property income and an increase in interest expenses and consequentially reduce distributable income and DPU, PARAGON REIT's DPU and DPU Yield would have ranged between 2.12 – 3.55 Singapore cents and 2.4% – 4.0% respectively, representing a decrease of between 21.4% – 53.2% to the FY2024 Adjusted DPU;

Illustrative Impact of Potential AEI on FY2024 Adjusted DPU (Singapore cents)



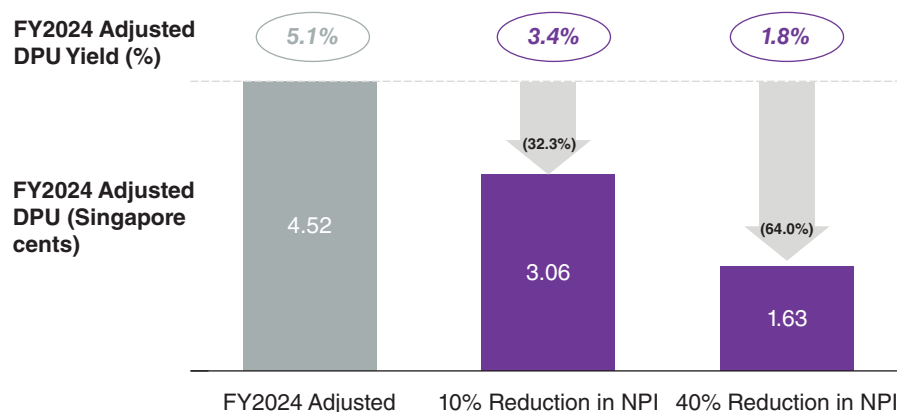
- (ii) assuming (A) a Potential AEI capital expenditure of S\$600 million is fully funded by debt and fully drawn down in FY2024 at an all-in finance cost of 4.4%¹³ and (B) a fluctuation in the Paragon NPI for FY2024 of between 10 – 40%, which would collectively result in a decrease in net property income and an increase in interest expenses and consequentially reduce distributable income and DPU, PARAGON REIT's DPU and DPU Yield would have ranged between 1.63 – 3.06 Singapore cents and 1.8% – 3.4% respectively, representing a decrease of between 32.3% and 64.0% to the FY2024 Adjusted DPU; and

¹² Based on PARAGON REIT's average cost of debt in FY2024.

¹³ Based on PARAGON REIT's average cost of debt in FY2024.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

Illustrative Impact of Potential AEI on FY2024 Adjusted DPU (Singapore cents)



(iii) assuming a Potential AEI capital expenditure of S\$300 million – S\$600 million which is fully debt-funded and fully drawn down in FY2024, FY2024 Adjusted Aggregate Leverage¹⁴ would have increased from 34.2% to 38.5% – 42.4% (versus Retail S-REIT Peers average of 38.6%).

- (f) The Offeror believes that PARAGON REIT's other assets, The Clementi Mall and Westfield Marion Shopping Centre,¹⁵ would not be able to offset the potential impact on the DPU and DPU Yield given their relative size (approximately 28% of PARAGON REIT's FY2024 total appraised value) as compared to Paragon (approximately 72% of PARAGON REIT's FY2024 total appraised value).
- (g) Taking into consideration the uncertainties inherent in a Potential AEI, the Offeror believes a major Potential AEI would be more suitably carried out in a private setting. If the Scheme is successful and a major Potential AEI is carried out, Unitholders will not need to bear the volatility and execution risks associated with such an initiative.

4.5 The Scheme offers an opportunity for Unitholders to fully monetise their investment in cash at an attractive Scheme Consideration

- (a) The Offeror believes that the privatisation will provide Unitholders with the opportunity to realise their investment at an attractive value and receive 100% of the value of their Units in cash, without exposure to future market risk and Unit price movements.

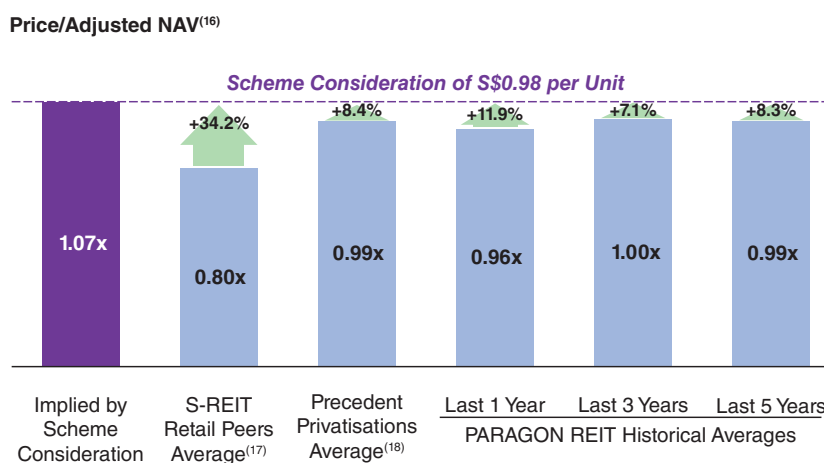
¹⁴ PARAGON REIT's FY2024 Aggregate Leverage of 35.3% has been adjusted to 34.2% ("FY2024 Adjusted Aggregate Average"). Refer to Part 2 of Schedule 1 to the Offeror's Letter for detailed adjustments.

¹⁵ PARAGON REIT has a 50% interest in Westfield Marion Shopping Centre.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

(b) *The Offeror and the board of the Paragon Manager believe that the Scheme Consideration of S\$0.9800 is attractive for Unitholders, based on the various metrics as outlined below:*

- (i) *the Scheme Consideration represents a 7.1% premium to the Paragon Adjusted NAV and an implied Price/Paragon Adjusted NAV of 1.07x; which represents an 8.4% premium to average Price/Precedent Privatisations Adjusted NAV of 0.99x;*
- (ii) *the implied Price/Paragon Adjusted NAV of 1.07x represents a premium of 34.2% to the average Price/Peer Adjusted NAV of 0.80x;*
- (iii) *the implied Price/Paragon Adjusted NAV of 1.07x represents a premium of 11.9%, 7.1% and 8.3% to the historical one (1)-year, three (3)-year and five (5)-year Average Price/Paragon Adjusted NAV, respectively;*



Source: FactSet, Bloomberg, Company Filings as at 10 February 2025

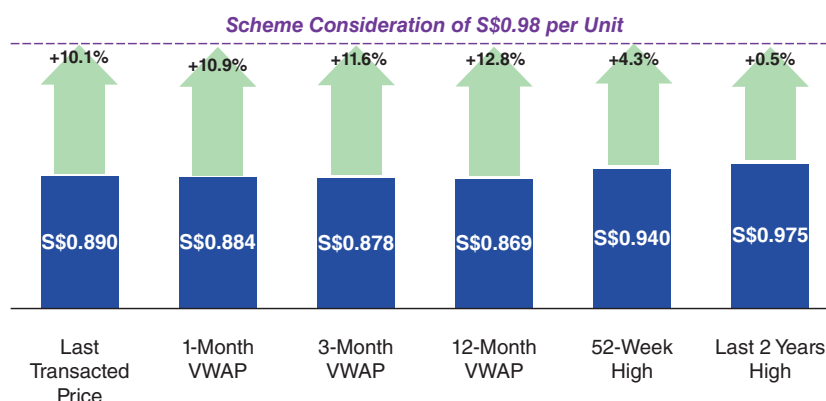
16 Based on PARAGON REIT's FY2024 NAV of S\$0.9385 per Unit, adjusted for the 2H FY2024 Distribution of S\$0.0233 per Unit.

17 Peers include CICT, MPACT, FCT, LREIT and Starhill.

18 Based on precedent privatisations of property trusts and REIT mergers with an all-cash option as consideration.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

- (iv) *the Scheme Consideration represents a 10.1%, 10.9%, 11.6% and 12.8% premium to the Last Transacted Price and the one (1)-month, three (3)-month and 12-month volume weighted adjusted price, respectively;*



Source: FactSet, Bloomberg, Company Filings as at 10 February 2025

- (v) *the Scheme Consideration exceeds the highest ever traded price over the last two (2) years;¹⁹*
- (vi) *the Scheme Consideration represents a premium of 4.3% to the 52-week high traded price of Units;²⁰ and*
- (vii) *the premium of 9.0 Singapore cents per Unit to the Last Transacted Price represents approximately two (2) years of distributions.²¹*
- (c) *The Scheme offers an opportunity for Unitholders to realise their investment in cash with no trading cost and the ability to immediately redeploy the proceeds into other investment opportunities.*

4.6 If the Scheme is not approved, the Offeror intends to actively engage with PARAGON REIT to consider implementing a Potential AEI

- (a) *The proposed Scheme will be submitted to the vote of the Minority Unitholders. The Offeror and its concert party group will abstain from voting.*
- (b) *In the event that the Scheme is not approved by Unitholders, the Offeror intends to continue to engage with PARAGON REIT to consider an appropriate plan, as it believes that a Potential AEI is critical for Paragon to remain competitive. Further engagement between the Offeror and PARAGON REIT would be required at the prevailing time.*

¹⁹ In respect of the two (2)-year period ending on 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date.

²⁰ In respect of the 52-week period ending on 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date.

²¹ Based on the last-12-months' (from 10 February 2025) declared distributions of 4.65 Singapore cents per Unit, excluding special dividends that are capital distributions in nature.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

4.7 Offeror's Future Intentions for PARAGON REIT

As stated in paragraph 3.7 of the Offeror's Letter, save as disclosed in this Scheme Document (including the Offeror's Letter), there is presently no intention by the Offeror to (a) introduce any major changes to the business of PARAGON REIT, (b) re-deploy the fixed assets of PARAGON REIT, or (c) discontinue the employment of the employees of PARAGON REIT (if any), save in the ordinary course of business.

In the event the Scheme becomes effective, the Offeror intends to conduct a strategic review of the portfolio of the Paragon Group and retains and reserves the right and flexibility at any time after the completion of the Scheme to consider any options in relation to the Paragon Group or any of its assets which may present themselves and which it may regard to be in the interest of the Paragon Group."

7 ASSESSMENT OF THE FINANCIAL TERMS OF THE SCHEME

In assessing the fairness and reasonableness of the financial terms of the Scheme, we have considered the following factors which we consider to be pertinent and to have a significant bearing on our assessment of the Scheme:

- (i) Historical market price performance and trading activity of the Units;
- (ii) Unit price performance relative to market index;
- (iii) Financial information of PARAGON REIT;
- (iv) Net asset value ("NAV") per Unit, Adjusted NAV per Unit and Ex-cash Adjusted NAV per Unit;
- (v) Historical trailing price-to-NAV ("P/NAV") ratio of the Units;
- (vi) Valuation ratios of selected listed property investment trusts broadly comparable to PARAGON REIT;
- (vii) Precedent merger and/or acquisition transactions of REITs involving Singapore-based acquirers or targets;
- (viii) Analysts' estimates and price targets for PARAGON REIT;
- (ix) Estimated valuation of the Units; and
- (x) Distribution track record of PARAGON REIT.

We have also considered other relevant considerations which have a significant bearing on our assessment as set out in paragraph 8 of this letter.

The figures, underlying financial and market data used in our analysis, including securities prices, trading volumes, free float data and foreign exchange rates have been extracted from S&P Capital IQ, Bloomberg L.P., Monetary Authority of Singapore ("MAS"), SGXNet and other public filings as at the Latest Practicable Date or as provided by the Paragon Manager where relevant. PPCF makes no representation or warranties, express or implied, as to the accuracy or completeness of such information.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

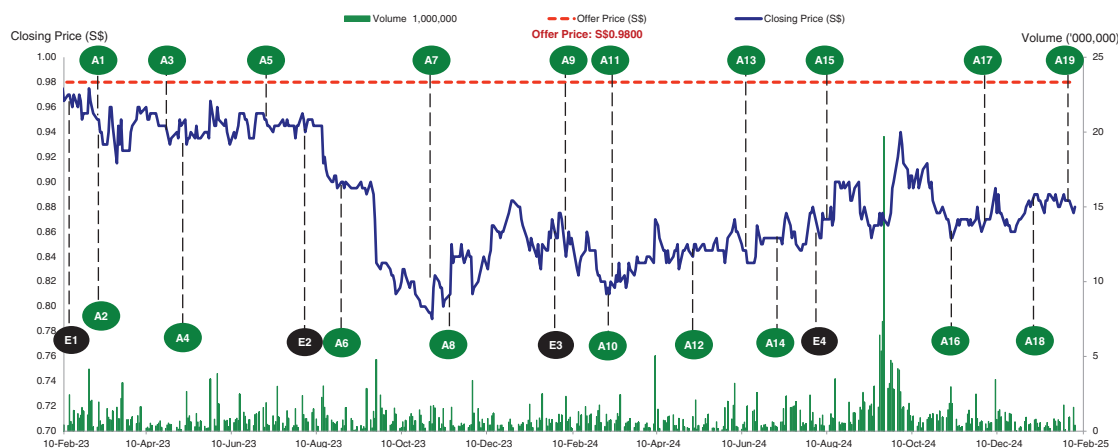
7.1 Historical market price performance and trading activity of the Units

The Units were last transacted on 10 February 2025 (“**Last Trading Day**”) prior to the trading halt announced before trading hours on 11 February 2025 and the subsequent release of the Joint Announcement on the same day, being the Joint Announcement Date. The trading halt was subsequently lifted and PARAGON REIT’s trading resumed after the mid-day break on 11 February 2025.

For the purpose of our analysis, we have compared the Scheme Consideration against the historical market price performance of the Units and considered the historical trading volume of the Units from 10 February 2023 to 10 February 2025, being the 2-year period prior to the trading halt and to the Last Trading Day (the “**2-year Lookback Period**”), and between the Joint Announcement Date and up to and including the Latest Practicable Date. We have assessed that the 2-year Lookback Period provides sufficient data points for the assessment of historical market price performance and trading activity of the Units, without having significant differences in the general business environment.

We set out below the daily closing price and daily trading volume of the Units for the 2-year Lookback Period. We have also marked certain dates in the chart where significant events have occurred.

Daily closing price and daily trading volume of the Units for the 2-year Lookback Period



Source: S&P Capital IQ and PARAGON REIT’s announcements on SGXNet

Earnings and distribution announcements:

E1. **13 February 2023.** PARAGON REIT announced its financial results for the financial period ended 31 December 2022. On 29 July 2022, PARAGON REIT announced a change in its financial year-end from 31 August to 31 December. The financial statement announcement was made for the 16-months period from 1 September 2021 to 31 December 2022 (“**16M 2022**”). 16M 2022 gross revenue increased by S\$6.6 million (1.8%) to S\$376.4 million, net property income (“**NPI**”) increased by S\$8.9 million (3.3%) to S\$279.9 million. Net income of S\$209.3 million for 16M 2022 was S\$7.5 million (3.7%) higher than 16M 2021. The increase is attributable to the stronger performance of the Singapore Properties.

PARAGON REIT announced distribution of 1.72 cents per Unit with respect to the distribution period from 1 September 2022 to 31 December 2022.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

- E2. **7 August 2023.** PARAGON REIT announced its financial results for the first half year ended 30 June 2023 (“1H 2023”). Gross revenue for 1H 2023 increased by S\$0.8 million (0.6%) to S\$143.1 million. The increase was mainly due to higher atrium income as mall activities returned to normalcy in 1H 2023. NPI of S\$106.1 million for 1H 2023 was S\$0.1 million (0.1%) higher than 1H 2022.

PARAGON REIT announced distribution of 2.42 cents per Unit with respect to the distribution period for 1H 2023.

- E3. **5 February 2024.** PARAGON REIT announced its financial results for the financial year ended 31 December 2023 (“FY2023”). FY2023 gross revenue increased by S\$5.1 million (1.8%) to S\$288.9 million and NPI increased by S\$3.6 million (1.7%) to S\$215.1 million. Net income of S\$137.6 million for FY2023 was S\$20.6 million (13.0%) lower than 12M 2022. The decrease is largely attributable to a S\$26.3 million increase in finance costs mitigated by stronger performance from the Singapore Properties.

PARAGON REIT announced distribution of 2.60 cents per Unit with respect to the distribution period from 1 July 2023 to 31 December 2023.

- E4. **5 August 2024.** PARAGON REIT announced its financial results for the first half year ended 30 June 2024 (“1H 2024”). Gross revenue for 1H 2024 increased by S\$4.3 million (3.0%) to S\$147.4 million. The increase was mainly due to higher rental income which benefited from the positive rental reversion. NPI of S\$110.8 million for 1H 2024 was S\$4.8 million (4.5%) higher than 1H 2023.

PARAGON REIT announced distribution of 2.32 cents per Unit with respect to the distribution period for 1H 2024.

Other significant events or announcements:

- A1. **27 February 2023.** PARAGON REIT issued 17,039,543 Units to the Paragon Manager as payment of management fees.
- A2. **28 February 2023.** PARAGON REIT announced that it will change its distribution frequency from quarterly distributions to half-yearly distributions with effect from FY2023.
- A3. **8 May 2023.** PARAGON REIT announced its first quarter key business and operational updates for FY2023 (“1QFY2023”) where gross revenue increase by 0.6% year-on-year (“y-o-y”) to S\$72.0 million and portfolio occupancy rate was 97.7%.
- A4. **29 May 2023.** PARAGON REIT issued 2,619,071 Units to the Paragon Manager as payment of management fees.
- A5. **19 July 2023.** PARAGON REIT announced that the Paragon Trustee has entered into an amended and restated facility agreement for a sustainability-linked term loan facility of up to S\$995.0 million.
- A6. **25 August 2023.** PARAGON REIT issued 1,382,108 Units to the Paragon Manager as payment of management fees.
- A7. **31 October 2023.** PARAGON REIT announced its third quarter key business and operational updates for FY2023 (“3QFY2023”) where gross revenue increased 1.2% y-o-y to S\$215.6 million and the portfolio occupancy rate was 98.1%.
- A8. **23 November 2023.** PARAGON REIT issued 1,536,230 Units to the manager as payment of management fees.
- A9. **14 February 2024.** PARAGON REIT issued 5,582,247 Units to the manager as payment of management fees.
- A10. **29 February 2024.** PARAGON REIT announced that it has declined the offer to acquire The Seletar Mall pursuant to the right of first refusal letter dated 9 July 2013 entered between the Paragon Trustee and the Sponsor. The Paragon Trustee and the Manager have considered the Offer and are of the view that acquiring The Seletar Mall based on the proposed terms set out in the Offer would not be in the best interests of PARAGON REIT for a number of reasons, including that the transaction will be dilutive to PARAGON REIT’s distribution per unit.
- A11. **1 March 2024.** PARAGON REIT announced the grant of Units pursuant to its performance unit award scheme.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

- A12. **6 May 2024.** PARAGON REIT announced its first quarter key business and operational updates for FY2024 (“**1QFY2024**”) where gross revenue increased 3.0% y-o-y to S\$73.8 million and the portfolio occupancy rate was 98.1%.
- A13. **20 June 2024.** PARAGON REIT announced that it has entered into a sale and purchase agreement for the divestment of The Rail Mail for a cash consideration of S\$78.5 million.
- A14. **10 July 2024.** PARAGON REIT announced its intention to redeem 100% of the principal amount of the S\$300.0 million 4.10% subordinated perpetual securities.
- A15. **15 August 2024.** PARAGON REIT announced the completion of the divestment of The Rail Mail and a special distribution of 1.85 cents per Unit.
- A16. **7 November 2024.** PARAGON REIT announced its third quarter key business and operational updates for FY2024 (“**3QFY2024**”) where gross revenue increased 3.0% y-o-y to S\$223.0 million and the portfolio occupancy rate was 97.9%.
- A17. **22 November 2024.** PARAGON REIT announced that it has entered into a put and call option deed for the proposed divestment of Figtree Grove Shopping Centre.
- A18. **14 January 2025.** PARAGON REIT announced that the Purchaser has exercised the Call Option in relation to the proposed divestment of Figtree Grove Shopping Centre and entered into a sale and purchase agreement in respect of the divestment.
- A19. **31 January 2025.** PARAGON REIT announced the completion of divestment of Figtree Grove Shopping Centre for a cash consideration of A\$192.0 million.

Based on the chart above, we note that during the 2-year Lookback Period, the Units had traded no higher than the Scheme Consideration. The Scheme Consideration represents a premium of 10.1% to the last transacted Unit price of S\$0.890 on the Last Trading Day.

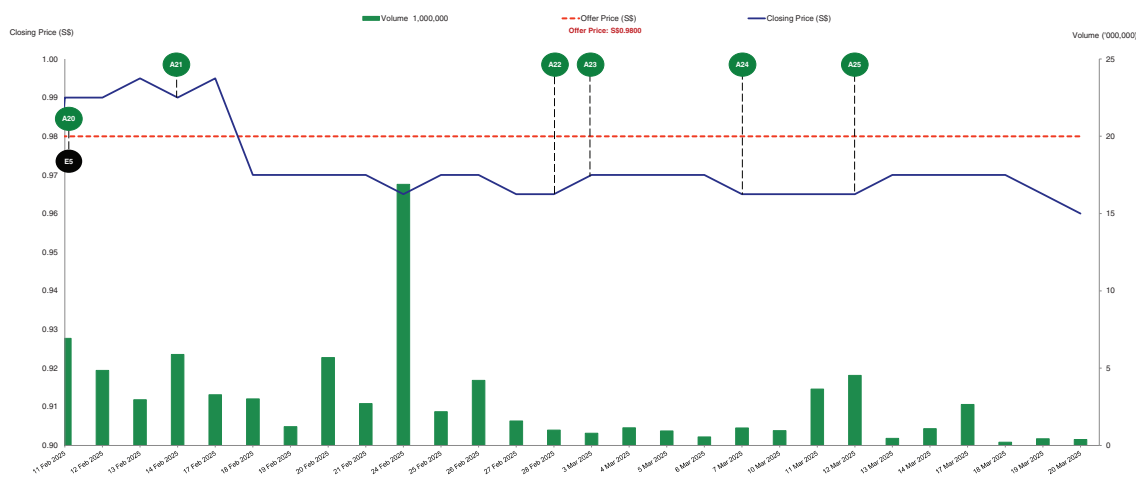
Prior to the 2-year Lookback Period, we noted that Morgan Stanley Asia (Singapore) Pte., for and on behalf of Cuscaden Peak Pte. Ltd. (“**CPPL**”), had on 29 April 2022 made a mandatory cash offer (“**2022 MGO**”) for the Units of PARAGON REIT (formerly known as SPH REIT) other those already owned, controlled or agreed to be acquired by CPPL and its concert parties, and all new Units unconditionally issued or to be issued prior to the final closing date of the 2022 MGO pursuant to the valid vesting and release of any outstanding awards granted under performance unit scheme, at S\$0.9372 in cash for each offer unit (“**MGO Offer Price**”). We note that the MGO Offer Price⁽²⁾ represented a slight premium of 1.9% over the Adjusted NAV whereas the Scheme Consideration represented a premium of 7.1% over the Adjusted NAV. We recognise that the 2022 MGO was made in a different point in time where, *inter alia*, asset base, size and scale of business operations, risk profile, general business environment and future prospects of PARAGON REIT at that time was significantly different. Since the 2022 MGO, PARAGON REIT’s portfolio had become smaller as a result of the divestments of The Rail Mail and The Figtree Grove Shopping Centre. Furthermore, a special distribution of 1.85 cents per Unit was distributed to Unitholders from the divestment proceeds of The Rail Mail.

(2) PPCF, as the independent financial adviser in connection with the 2022 MGO, had opined that the MGO Offer Price was fair and reasonable.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

We set out below the daily closing price and daily trading volume of the Units for the period between the Joint Announcement Date and up to and including the Latest Practicable Date.

Daily Closing Price and Daily Trading Volume of the Units for the period between the Joint Announcement Date and up to and including the Latest Practicable Date



Source: S&P Capital IQ and PARAGON REIT's announcements on the SGXNet

Earnings and distribution announcements:

E5. **11 February 2025.** PARAGON REIT announced its financial results for the financial year ended 31 December 2024 ("FY2024"). FY2024 gross revenue increased by S\$12.0 million (4.2%) to S\$301.0 million and NPI increased by S\$9.6 million (4.5%) to S\$224.7 million. Net income of S\$142.1 million for FY2024 was S\$4.5 million (3.3%) higher than FY2023. The improvement was mainly contributed by the positive rental revisions in Singapore partially offset by the rise in finance costs.

PARAGON REIT announced distribution of 2.33 cents per Unit with respect to the distribution period from 1 July 2024 to 31 December 2024.

Other significant events or announcements:

A20. **11 February 2025.** The Joint Announcement in relation to the proposed privatisation of PARAGON REIT by way of a Trust Scheme of Arrangement was announced.

A21. **14 February 2025.** PARAGON REIT announced the appointment of PrimePartners Corporate Finance Pte. Ltd. as the IFA to the Scheme.

A22. **28 February 2025.** PARAGON REIT announced that the Paragon Manager and the Paragon Trustee had entered into a fifth supplemental deed to allow for the electronic dissemination of any notice or document relating to any take-over offer of PARAGON REIT or rights issue by PARAGON REIT where permitted by any relevant laws, regulations and guidelines and/or any competent authority.

A23. **3 March 2025.** PARAGON REIT announced the grant of Units pursuant to its performance unit award scheme.

A24. **7 March 2025.** PARAGON REIT announced that the Court has directed that an application filed for leave to convene the Scheme Meeting be fixed for hearing at 10:00 a.m. on 12 March 2025.

A25. **12 March 2025.** PARAGON REIT announced that the Court has granted leave to convene the Scheme Meeting for the purposes of considering and, if thought fit, approving the Scheme.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

Between the Joint Announcement Date and up to and including the Latest Practicable Date, the Units had traded slightly above the Scheme Consideration during the cum distribution period and slightly below the Scheme Consideration during the ex distribution period.

We have also set out below the premium implied by the Scheme Consideration over the historical volume weighted average price (“VWAP”) and historical trading volume of the Units from 10 February 2023 (being the beginning of the 2-year Lookback Period) up to and including the Latest Practicable Date.

Premium implied by the Scheme Consideration over VWAP⁽¹⁾							
	VWAP (S\$)	Premium of Scheme Consideration over VWAP	Highest traded price (S\$)	Lowest traded price (S\$)	No. of Traded Days ⁽²⁾	Average daily traded volume ⁽³⁾ ('000)	Average daily traded volume ⁽³⁾ as a percentage of free float ⁽⁴⁾
Periods up to and including the Last Trading Day							
2-year	0.884	10.9%	0.975	0.790	501	1,001	0.09%
1-year	0.869	12.8%	0.940	0.810	250	1,122	0.10%
6-month	0.881	11.2%	0.940	0.855	127	1,407	0.13%
3-month	0.878	11.6%	0.895	0.860	63	749	0.07%
1-month	0.884	10.9%	0.895	0.875	20	725	0.07%
10 February 2025, being the Last Trading Day prior to the trading halt	0.890 ⁽⁵⁾	10.1%	0.895	0.880	1	2,327	0.21%
11 February 2025 and up to and including the Latest Practicable Date							
11 February 2025 and up to and including the Latest Practicable Date	0.975	0.5%	0.995	0.965	27	2,906	0.27%
Latest Practicable Date	0.965 ⁽⁵⁾	1.6%	0.970	0.965	1	390	0.04%

Source: Bloomberg L.P. and PPCF calculations

Notes:

- (1) VWAP is calculated based on the aggregate daily turnover value of the Units and aggregate daily traded volume of the Units for the relevant trading days for each relevant period as obtained from Bloomberg L.P., excluding off-market transactions.
- (2) Traded days refer to the number of days on which the Units were traded on the SGX-ST during that relevant period.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

- (3) The average daily traded volume of the Units is calculated based on the total volume of Units traded during the relevant periods, divided by the number of market days (excluding days with full day trading halts on the Units) during that relevant period.
- (4) Free float refers to approximately 1,093 million Units as set out in paragraph 4.1 of the Letter to Unitholders in the Scheme Document.
- (5) The price shown refers to the closing price of the Units.

Based on the above, we note the following:

- (i) The Scheme Consideration of S\$0.9800 represents premia of 10.9%, 12.8%, 11.2%, 11.6% and 10.9% over the VWAP of the Units for the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to the release of the Joint Announcement respectively;
- (ii) The Scheme Consideration represents a premium of 10.1% over the closing price of the Units of S\$0.890 on the Last Trading Day;
- (iii) Between the Joint Announcement Date and up to and including the Latest Practicable Date, the Units had traded slightly above the Scheme Consideration during the cum distribution period and slightly below the Scheme Consideration during the ex distribution period and were last transacted at S\$0.965 on the Latest Practicable Date;
- (iv) During the 2-year Lookback Period, the Units were traded every day PARAGON REIT was open for trading on the SGX-ST but the average daily traded volume of the Units for the 2-year, 1-year, 6-month, 3-month, 1-month periods and the Last Trading Day prior to the release of the Scheme was very low, representing 0.09%, 0.10%, 0.13%, 0.07%, 0.07% and 0.21% of the free float of the Units respectively; and
- (v) Subsequent to the Joint Announcement Date and up to and including the Latest Practicable Date, the trading liquidity of the Units increased to an average daily traded volume of approximately 2.91 million Units, representing approximately 0.27% of PARAGON REIT's free float. As at the Latest Practicable Date, the average daily traded volume was approximately 0.39 million Units, representing approximately 0.04% of PARAGON REIT free float.

Based on the above observations, it appears likely that the market price and the trading volume of the Units have been supported by the Scheme subsequent to the release of the Joint Announcement. As such, there is no assurance that the market price and trading volume of the Units will be maintained at the prevailing level as at the Latest Practicable Date.

Unitholders are advised that the historical trading performance of the Units should not, in any way, be relied upon as an indication or a promise of its future trading performance.

We wish to highlight that the market valuation of units traded on a stock exchange may be affected by, *inter alia*, its relative liquidity, the size of its free float, the extent of research coverage, the investor interest it attracts, the prevailing economic conditions, economic outlook and the general market sentiment at a given point in time.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

7.2 Unit price performance relative to market index

To gauge the market price performance of the Units relative to the general share price performance of the Singapore equity market, we have compared the market price movement of the Units against the following indices:

- (a) FSTE Straits Times Index (the “**FSSTI**”), of which is a market capitalisation weighted index based on stocks of 30 representative companies listed on the Mainboard of the SGX-ST;
- (b) iEDGE S-REIT Index (the “**iEDGE S-REIT**”), which is a free-float market capitalisation weighted index that is widely regarded as Singapore’s S-REIT benchmark; and
- (c) FTSE EPRA Nareit Developed Index (the “**FNRE**”), which is a globally recognised benchmark that tracks the performance of listed REITs in developed markets and which PARAGON REIT is included.

We note that PARAGON REIT was dropped from the S&P Global BMI Index on 22 September 2024.

The FSSTI, iEDGE S-REIT and FNRE have been rebased to the closing price of the respective indices as at the beginning of the 2-year Lookback Period (being 10 February 2023) prior to the trading halt and release of the Joint Announcement. As a comparative, the rebased prices of the respective indices are multiplied by PARAGON REIT’s closing price as at the beginning of the 2-year Lookback Period (being 10 February 2023), to illustrate the relative trajectories of the respective indices vis-à-vis PARAGON REIT.

The market price performance of the Units relative to the rebased FSSTI, rebased iEDGE S-REIT and rebased FNRE for the period from 10 February 2023 up to and including the Latest Practicable Date, is illustrated below.

Unit Price Performance against Rebased FSSTI, Rebased iEDGE S-REIT and Rebased FNRE



Source: S&P Capital IQ and PPCF calculations

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

We have also set out in the table below the movements in the last transacted prices of the Units and the rebased FSSTI, the rebased iEDGE S-REIT and the rebased FNRE between the Last Trading Day and the Latest Practicable Date:

	As at the Last Trading Day (S\$)	As at the Latest Practicable Date (S\$)	Percentage Change (%)
PARAGON REIT Units	0.8900	0.9650 ⁽¹⁾	8.4
Rebased iEDGE S-REIT	0.8146	0.8295	1.8
Rebased FSSTI	1.1127	1.1286	1.4
Rebased FNRE	0.9528	0.9423	(1.1)

Source: S&P Capital IQ, Bloomberg L.P. and PPCF calculations

Note:

(1) The market price of the Units at the Latest Practicable Date reflects the ex distribution price, excluding the 2H FY2024 Distribution of 2.33 Singapore cents.

Based on the above, we note the following:

- (i) For the 2-year period up to and including the Last Trading Day, the Units had generally performed below the rebased FSSTI, and the rebased FNRE during the period between 31 October 2023 and the Last Trading Day, whereas the Units had generally performed below the rebased iEDGE S-REIT during the period between 15 September 2023 and 8 April 2024; and
- (ii) From the Last Trading Day and up to the Latest Practicable Date, the market price of the Units had increased significantly to outperform the rebased iEDGE S-REIT, the rebased FSSTI and the rebased FNRE, having increased by approximately 8.4% as compared to the increase of approximately 1.8% and 1.4% in the rebased iEDGE S-REIT and the rebased FSSTI respectively over the same period, and the decrease of approximately 1.1% in the rebased FNRE over the same period.

The above observation reinforces our view that the market price of the Units appears to have been supported by the Scheme subsequent to the Joint Announcement Date. Unitholders should note that there is no assurance that the market price of the Units will be maintained at the prevailing level as at the Latest Practicable Date.

7.3 Financial information of PARAGON REIT

7.3.1 Financial performance of PARAGON REIT

For the purpose of evaluating the financial terms of the Scheme, we have considered PARAGON REIT's audited financial statements for 12 months financial period from 1 January 2022 to 31 December 2022 ("12M FY2022") as PARAGON REIT had announced a change in its financial year-end from 31 August 2022 to 31 December 2022 on 29 July 2022 and the financial years ended 31 December ("FY") 2023 and 2024.

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

A summary of the statement of total return and distribution statement of PARAGON REIT for 12M FY2022, FY2023, FY2024 is set out in the table below. The following summary statement of total return and distribution statement should be read in conjunction with the full text of the annual reports and the results announcements of PARAGON REIT in respect of the relevant financial periods including the notes thereto.

Selected items from statements of total return and distribution statement			
(\$'000)	12M FY2022 (Audited)⁽¹⁾	FY2023 (Audited)	FY2024 (Audited)
Gross revenue	283,821	288,926	300,954
Property operating expenses	(72,326)	(73,857)	(76,232)
Net property income	211,495	215,069	224,722
<i>Net property income margin (%)</i>	<i>74.5%</i>	<i>74.4%</i>	<i>74.7%</i>
Manager's management fees	(21,091)	(21,208)	(21,968)
Investment management fees	(2,963)	(2,777)	(2,662)
Trustee's fees	(599)	(591)	(610)
Other trust expenses	(2,255)	(2,092)	(2,091)
Reversal of/(impairment loss) on trade receivables	815	(182)	316
Finance income	1,022	3,957	4,234
Finance costs	(28,293)	(54,595)	(59,877)
Net income	158,131	137,581	142,064
<i>Net income margin (%)</i>	<i>55.7%</i>	<i>47.6%</i>	<i>47.2%</i>
Fair value change on investment properties	2,271	10,436	175,646 ⁽²⁾
Net foreign currency exchange (loss)/ gain	4,311	(814)	(348)
Total return for the year before taxes and before distribution	164,713	147,203	317,362
Less: income tax	(3,107)	(356)	(2,474)
Total return for the year after taxes and before distribution	161,606	146,847	314,888
Attributable to:			
– Unitholders of the trust	147,907	136,007	306,405
– Perpetual securities holders	12,300	12,300	8,189
– Non-controlling interests	1,399	(1,460)	294
	161,606	146,847	314,888
Distributions per unit in relation to the financial year (Singapore cents)	5.5 ⁽³⁾	5.0	4.7 ⁽⁴⁾

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

Source: PARAGON REIT's financial results announcements for 12M FY2022 and FY2024 and annual report for FY2023.

Notes:

- (1) On 29 July 2022, PARAGON REIT announced a change in its financial year-end from 31 August 2022 to 31 December 2022. The review of the operating results is based on 12M FY2022 and FY2023 respectively.
- (2) The fair value change on investment properties comprise a fair value gain of S\$213.4 million contributed by investment properties in Singapore offset by a fair value loss of S\$37.8 million mainly due to 25 basis points capitalisation rate expansion for Westfield Marion Shopping Centre.
- (3) Including distributions relating to the pro-rated 2 months distributions per unit from 1 December 2021 to 31 December 2022 and distributions per unit for the period from 1 March 2022 to 31 December 2022.
- (4) The distributions per unit in relation to the financial year FY2024 excludes the special distribution of S\$0.0185 for the divestment of the Rail Mail ("**TRM Special Distribution**").

Review of operating results

12M FY2022 as compared to FY2023

PARAGON REIT reported gross revenue of S\$288.9 million in FY2023, which was an increase of S\$5.1 million or 1.8% as compared to S\$283.8 million in 12M FY2022. PARAGON REIT also reported net property income of S\$215.1 million in FY2023 which was an increase of S\$3.6 million or 1.7% as compared to S\$211.5 million in 12M FY2022.

The net income of PARAGON REIT decreased by S\$20.6 million or 13.0% from S\$158.1 million in 12M FY2022 to S\$137.6 million in FY2023.

The total return attributable to Unitholders decreased by S\$11.9 million or 8.0% from a return of S\$147.9 million in 12M FY2022 to S\$136.0 million in FY2023.

The distributions per unit in relation to the financial year decreased by 0.5 Singapore cents from 5.5 Singapore cents in 12M FY2022 to 5.0 Singapore cents in FY2023.

FY2023 as compared to FY2024

PARAGON REIT reported gross revenue of S\$301.0 million in FY2024, which was an increase of S\$12.0 million or 4.2% as compared to S\$288.9 million in FY2023. PARAGON REIT also reported net property income of S\$224.7 million in FY2024 which was an increase of S\$9.7 million or 4.5% as compared to S\$215.1 million in FY2023.

The net income of PARAGON REIT increased by S\$4.5 million or 3.3% from S\$137.6 million in FY2023 to S\$142.1 million in FY2024.

The total return attributable to Unitholders increased by S\$170.4 million or 125.3% from a return of S\$136.0 million in FY2023 to S\$306.4 million in FY2024.

The distributions per unit in relation to the financial year decreased by 0.3 Singapore cents from 5.0 Singapore cents in FY2023 to 4.7 Singapore cents in FY2024.

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

7.3.2 Financial position of PARAGON REIT

The statement of financial position of PARAGON REIT as at 31 December 2022, 31 December 2023 and 31 December 2024 is set out in the table below. The following statement of financial position of PARAGON REIT should be read in conjunction with the full text of the financial results announcement of PARAGON REIT.

Statement of Financial Position (S\$'000)	As at 31 December 2022 (Audited) ⁽¹⁾	As at 31 December 2023 (Audited)	As at 31 December 2024 (Audited)
Non-current assets			
Plant and equipment	250	105	146
Investment properties	4,112,265	4,121,829	4,038,216
Derivative financial instruments	9,623	3,744	6,196
	4,122,138	4,125,678	4,044,558
Current assets			
Trade and other receivables	6,003	6,272	5,364
Derivative financial instruments	3,150	2,306	83
Cash and cash equivalents	125,601	134,467	105,703
	134,754	143,045	111,150
Asset held for sale ⁽²⁾	–	–	158,816
	134,754	143,045	269,966
Total assets	4,256,892	4,268,723	4,314,524
Non-current liabilities			
Borrowings	1,176,653	1,045,647	989,399
Derivative financial instruments	3,294	4,923	2,460
Trade and other payables	38,283	39,305	44,000
Deferred tax liabilities	2,206	–	–
	1,220,436	1,089,875	1,035,859
Current liabilities			
Borrowings	94,974	223,042	537,454
Derivative financial instruments	–	515	1,616
Trade and other payables	62,382	64,056	64,132
Provision for taxation	–	–	135
	157,356	287,613	603,337

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

Statement of Financial Position (S\$'000)	As at 31 December 2022 (Audited)⁽¹⁾	As at 31 December 2023 (Audited)	As at 31 December 2024 (Audited)
Liabilities directly associated with the asset held for sale	–	–	479
	157,356	287,613	603,816
Total liabilities	1,377,792	1,377,488	1,639,675
Net assets	2,879,100	2,891,235	2,674,849
Represented by:			
Unitholders' funds	2,563,069	2,577,559	2,664,274
Perpetual securities holders' fund	302,035	302,035	–
Non-controlling interests	13,996	11,641	10,575
	2,879,100	2,891,235	2,674,849
Units in issue as at the end of the financial period ('000)	2,810,851	2,833,428	2,839,010
NAV as represented by Unitholders' funds per Unit (S\$)	0.9118	0.9097	0.9385

Source: PARAGON REIT's annual report for FY2023 and financial results announcement for FY2024.

Notes:

- (1) On 29 July 2022, PARAGON REIT announced a change in its financial year-end from 31 August 2022 to 31 December 2022.
- (2) On 22 November 2024, PARAGON REIT announced that it had entered into a put and call option deed to divest an investment property, Figtree Grove Shopping Centre in Australia, to a third party. As at 31 December 2024, the investment property was reclassified as asset held for sale and is valued based on the agreed selling price of \$162.3 million (A\$192.0 million) with the buyer. The sale was completed on 31 January 2025. It is assumed that no post balance sheet event adjustments are required in relation to the effects of the sale of Figtree Grove Shopping Centre on PARAGON REIT's NAV as at 31 December 2024.

Assets

As at 31 December 2024, PARAGON REIT has total assets of S\$4.3 billion comprising non-current assets of S\$4.0 billion and current assets of S\$270.0 million, representing 93.7% and 6.3% of total assets respectively.

The non-current assets of PARAGON REIT comprised mainly investment properties of S\$4.0 billion representing 93.6% of total assets. The Paragon Properties relate to the assets in Singapore and Australia namely, Paragon, The Clementi Mall and Westfield Marion Shopping Centre. The Paragon Properties were carried at market value as at 31 December 2024 based on independent valuations conducted by the Valuers.

The current assets of PARAGON REIT comprised mainly cash and cash equivalents of S\$105.7 million, representing 2.4% of total assets.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

PARAGON REIT's total assets also included S\$158.8 million of asset held for sale. PARAGON REIT entered into a put and call option deed with a purchaser to divest the FigTree Trust's interest in Figtree Grove Shopping Centre. The divestment was completed on 31 January 2025.

Liabilities and Net Assets

As at 31 December 2024, PARAGON REIT has total liabilities of S\$1.6 billion comprising non-current liabilities of S\$1.0 billion and current liabilities of S\$603.8 million, representing 63.2% and 36.8% of total liabilities respectively.

The liabilities of PARAGON REIT comprised mainly borrowings of S\$1.5 billion representing 93.1% of total liabilities. The borrowings relate to secured term loans secured by way of mortgage against, *inter alia*, Paragon, Figtree Grove Shopping Centre and PARAGON REIT's 50% interest in Westfield Marion Shopping Centre. The loan secured against Figtree Grove Shopping Centre has been fully repaid upon the completion of divestment on 31 January 2025. The carrying amount of the borrowings have been adjusted for unamortised transaction costs.

PARAGON REIT's net assets are represented by S\$2.7 billion of Unitholders' funds, and S\$10.6 million of non-controlling interests representing 99.6% and 0.4% of net assets respectively.

7.3.3 Cash flows of PARAGON REIT

A summary of the consolidated statement of cash flows of PARAGON REIT for 12M FY2022, FY2023 and FY2024 is set out in the table below. The following summary consolidated statement of cash flows should be read in conjunction with the full text of the results announcements and annual reports of PARAGON REIT in respect of the relevant financial years including the notes thereto.

Summary Consolidated Statement of Cash Flows			
(\$'000)	12M FY2022 (Unaudited)⁽¹⁾	FY2023 (Audited)	FY2024 (Audited)
Net cash from operating activities	213,274	192,155	199,158
Net cash from/(used in) investing activities	(11,280)	(2,861)	61,697
Net cash used in financing activities	(194,070)	(180,837)	(289,399)
Net (decrease)/increase in cash and cash equivalents	7,924	8,457	(28,544)

Source: PARAGON REIT's financial results announcements for 12M FY2022 and FY2024 and annual report for FY2023.

Note:

(1) During the financial period, PARAGON REIT changed its financial year end from 31 August to 31 December. The review of the statement of cash flows is based on 12M FY2022.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

12M FY2022

During FY2022, PARAGON REIT recorded net cash from operating activities of S\$213.3 million which was mainly attributable to PARAGON REIT's operating cash flow before working capital changes of S\$208.6 million and decrease in trade and other receivables of S\$9.3 million.

The net cash used in investing activities of S\$11.3 million was mainly due to additions to investment properties of S\$12.3 million, but partially offset by interest received to S\$1.0 million.

The net cash used in financing activities of S\$194.1 million was mainly attributable to S\$154.8 million in distribution to Unitholders and S\$25.2 million in interest paid.

As a result of the above cash movements, PARAGON REIT's net cash and cash equivalents increased by S\$7.9 million.

FY2023

During FY2023, PARAGON REIT recorded net cash from operating activities of S\$192.2 million which was mainly attributable to PARAGON REIT's operating cash flow before working capital changes of S\$198.8 million and decrease in trade and other payables of S\$3.6 million.

The net cash used in investing activities of S\$2.9 million was mainly due to additions to investment properties of S\$6.8 million, but partially offset by interest received of S\$4.0 million.

The net cash used in financing activities of S\$180.8 million was mainly attributable to S\$116.8 million in distribution to Unitholders and S\$50.9 million in interest paid.

As a result of the above cash movements, PARAGON REIT's net cash and cash equivalents increased by S\$8.5 million.

FY2024

During FY2024, PARAGON REIT recorded net cash from operating activities of S\$199.2 million which was mainly attributable to PARAGON REIT's operating cash flow before working capital changes of S\$192.5 million and increase in trade and other payables of S\$7.5 million.

The net cash from investing activities of S\$61.7 million was mainly a result of proceeds from divestment of investment property of S\$76.2 million, but partially offset by additions to investment properties of S\$18.4 million.

The net cash used in financing activities of S\$289.4 million was mainly attributable to S\$192.2 million in distribution to Unitholders, S\$25.0 million in payment of bank loan and S\$58.8 million in interest paid.

As a result of the above cash movements, PARAGON REIT's net cash and cash equivalents decreased by S\$28.5 million.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

7.4 NAV per Unit, Adjusted NAV per Unit and Ex-cash Adjusted NAV per Unit

7.4.1 NAV per Unit

The NAV of a group refers to the aggregate value of all the assets in their existing condition, net of non-controlling interests and all liabilities. The NAV approach may provide an estimate of the value of a group assuming the hypothetical sale of its assets over a reasonable period of time, the proceeds of which would first be used to settle liabilities of that group with the balance available for distribution to its Unitholders. Therefore, the net assets of a group are perceived as providing support for the value of its equity. Given the asset-intensive nature of PARAGON REIT's leasing-related business model and activities, we have focused on the asset-based valuation approach (as opposed to other valuation approaches) for the purpose of evaluating the financial terms of the Scheme.

Notwithstanding the foregoing, Unitholders should note that an analysis based on the NAV provides an estimate of the value of PARAGON REIT based on a hypothetical scenario, and such hypothetical scenario is assumed to be made without considering factors such as, *inter alia*, time value of money, market conditions, legal and professional fees, liquidation costs, contractual obligations, any regulatory requirements and availability of potential buyers, which may in theory, alter the NAV that can be realised. While the asset base of PARAGON REIT can be a basis for valuation, such a valuation does not necessarily imply a realisable market value as the market value of the assets and liabilities may vary depending on prevailing market and economic conditions.

A summary of the financial position of PARAGON REIT as at 31 December 2024 is set out below:

Summary Statement of Financial Position	Audited as at 31 December 2024 (S\$'000)	Contribution to total assets (%)
Non-current assets		
Plant and equipment	146	<i>n.m.</i> ⁽¹⁾
Investment Properties	4,038,216	93.6
– 100% of Paragon in Singapore		
– 100% of The Clementi Mall in Singapore		
– 50% of Westfield Marion Shopping Centre in Australia		
Derivative financial instruments	6,196	0.1
Current assets		
Trade and other receivables	5,364	0.1
Derivative financial instruments	83	<i>n.m.</i> ⁽¹⁾
Cash and cash equivalents	105,703	2.4
Asset held for sale	158,816	3.7
Total assets	4,314,524	

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

Summary Statement of Financial Position	Audited as at 31 December 2024 (S\$'000)	Contribution to total assets (%)
Non current liabilities	1,035,859	–
Current liabilities	603,816	–
Total liabilities	1,639,675	–
Unitholders' funds	2,664,274	
Units in issue as at the end of the financial period (‘000)	2,839,010	
NAV as represented by Unitholders' funds per Unit (S\$)	0.9385	

Note:

(1) n.m. denotes not meaningful.

The P/NAV ratio illustrates the comparison between a company's stock price or market value versus the book value of the company's shareholders' equity as indicated on its balance sheet.

Based on PARAGON REIT's NAV per Unit of S\$0.9385 as at 31 December 2024, the Scheme Consideration represents a slight premium of 4.4% over the NAV per Unit and the P/NAV ratio of PARAGON REIT as implied by the Scheme Consideration of **1.04 times**. As there are no intangible assets, the net tangible asset (“**NTA**”) of PARAGON REIT is equivalent to its NAV.

7.4.2 Adjusted NAV per Unit

The Paragon Manager had, on 11 February 2025, declared a distribution of 2.33 Singapore cents for each Unit in cash (the “**2H FY2024 Distribution**”), in respect of the six (6) month period ended 31 December 2024 (“**2H 2024**”).

The Scheme Consideration will not be reduced or otherwise adjusted for the 2H FY2024 Distribution. Accordingly, in the event the Scheme becomes effective in accordance with its terms, the Minority Unitholders who have become entitled to the 2H FY2024 Distribution shall have the right to retain the 2H FY2024 Distribution in addition to the Scheme Consideration.

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

Adjustments to the NAV (S\$'000, unless otherwise indicated)	As at 31 December 2024
NAV represented by Unitholders' funds	2,664,274
Less: 2H FY2024 Distribution	66,149
Adjusted NAV represented by Unitholders' funds	2,598,125
Units in issue as at the Latest Practicable Date ('000)	2,839,010
Adjusted NAV as represented by Unitholders' funds per Unit (S\$)	0.9152
P/Adjusted NAV as implied by the Scheme Consideration	1.07 times
Premium to of Scheme Consideration over the Adjusted NAV per Unit	7.1%

Based on PARAGON REIT's Adjusted NAV per Unit of S\$0.9152 as at 31 December 2024, the Scheme Consideration represents a premium of 7.1% over the Adjusted NAV per Unit and the P/Adjusted NAV ratio of PARAGON REIT as implied by the Scheme Consideration of 1.07 times.

Save as disclosed above, the Management has confirmed that they are not aware of any other post balance sheet events which may have a material impact on the NAV of PARAGON REIT.

7.4.3 Ex-cash Adjusted NAV per Unit

PARAGON REIT recorded adjusted cash and cash equivalents attributable to Unitholders of approximately S\$39.3 million as at 31 December 2024, representing S\$0.0139 per Unit and accounting for approximately 1.5% of the Adjusted NAV of PARAGON REIT as at 31 December 2024. We have also considered PARAGON REIT's ex-cash Adjusted NAV below in line with the NAV approach which assumes a hypothetical sale of its assets over a reasonable period of time.

After deducting the adjusted cash and cash equivalents from the adjusted NAV, we note that the ex-cash adjusted NAV of PARAGON REIT as at 31 December 2024 was approximately S\$2.56 billion or S\$0.9013 per Unit (the "**Ex-cash Adjusted NAV per Unit**").

The Scheme Consideration as adjusted for adjusted cash and cash equivalents of S\$0.0139 per Unit, is S\$0.9661 per Unit and represents a premium of 7.2% over the Ex-cash Adjusted NAV per Unit.

7.4.4 Independent Valuation

The Valuers had carried out independent valuations of all the Paragon Properties held by PARAGON REIT in Singapore and Australia as at 31 December 2024 for the purpose of financial reporting. Copies of the Valuation Certificates are attached in Appendix F to the Scheme Document.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

In arriving at the as-is market value of the Paragon Properties, the Valuers had used the Income Capitalisation Method and discounted cash flow analysis.

The market value of the Paragon Properties has been incorporated in the carrying values of these properties in PARAGON REIT's audited financial statements for FY2024. The Paragon Manager did not commission another independent valuation of the Paragon Properties for the purpose of the Scheme in view of the recent valuation carried out.

We note that the Valuers have recommended that market value assessments be reviewed periodically if required as the market conditions can change rapidly and therefore they are unable to provide assurance that the valuation assessment provided will remain valid in the future.

Save as disclosed above and the announcements released by the Paragon Manager on the SGXNet, the Management and Paragon Independent Directors confirm that, to the best of their knowledge and based on information made available to them, as at the Latest Practicable Date:

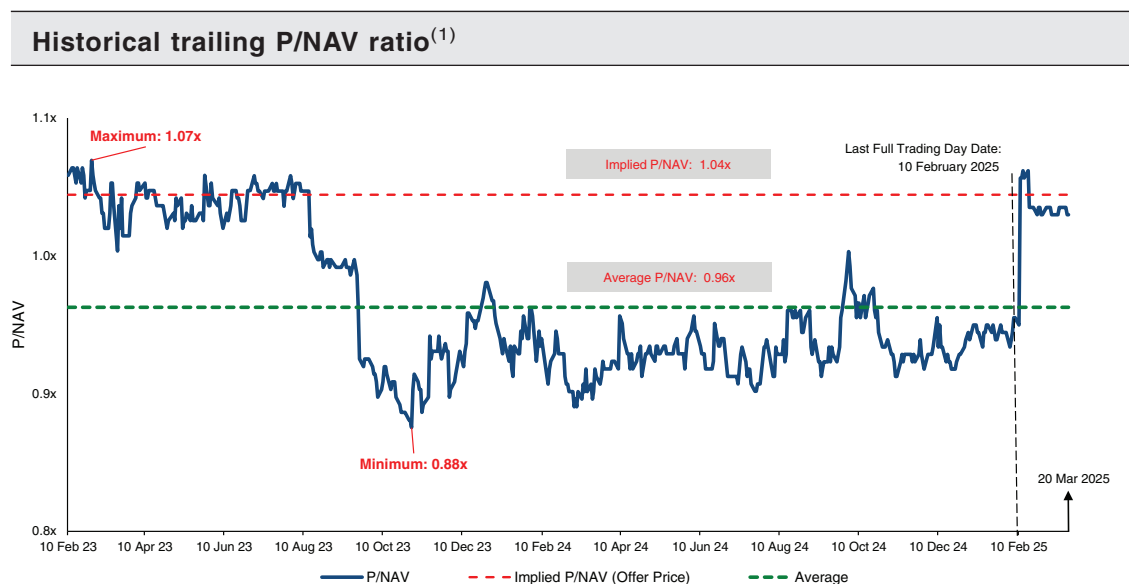
- (a) there are no other material differences between the realisable value of PARAGON REIT's assets as at the Latest Practicable Date and their respective book values as at 31 December 2024, which would result in a material impact on the NAV of PARAGON REIT between 31 December 2024 and the Latest Practicable Date;
- (b) they are not aware of any new circumstances between 31 December 2024 and the Latest Practicable Date, which may cause the NAV of PARAGON REIT as at the Latest Practicable Date to be materially different from that recorded in the audited Statement of Financial Position of PARAGON REIT as at 31 December 2024;
- (c) there have been no material disposals or acquisitions of assets by PARAGON REIT between 31 December 2024 and the Latest Practicable Date, PARAGON REIT does not have any other plans for any impending material disposal or acquisition of assets, conversion of the use of PARAGON REIT's material assets and/or material change in the nature of PARAGON REIT's business between 31 December 2024 and the Latest Practicable Date;
- (d) there are no contingent liabilities, bad or doubtful debts or impairment losses or material events arising between 31 December 2024 and the Latest Practicable Date which are likely to have a material impact on the audited NAV of PARAGON REIT as at 31 December 2024;
- (e) there are no litigation, claim or proceedings pending or threatened against PARAGON REIT or of any fact likely to give rise to any proceedings between 31 December 2024 and the Latest Practicable Date which would have an adverse material impact on the financial position of PARAGON REIT as at 31 December 2024; and
- (f) there are no other intangible assets as at the Latest Practicable Date which ought to be disclosed in the Statement of Financial Position in accordance with the Statement of Recommended Accounting Practice ("**RAP**") 7 "*Reporting Framework for Unit Trusts*" and which have not been disclosed that would have a material impact on the audited NAV of PARAGON REIT as at 31 December 2024.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

We have not made any independent evaluation or appraisal of the assets and liabilities of PARAGON REIT. We are also not experts in the evaluation or appraisal of the assets concerned and we have placed sole reliance on the independent valuations conducted by the Valuers for such appraisal and have not made any independent verification of the contents thereof. In particular, we do not assume any responsibility to enquire about the basis of the valuation contained in their Valuation Certificates or if the contents thereof have been prepared and/or included in the Scheme Document in accordance with all applicable regulatory requirements and professional standards including the Code and the International Valuation Standards.

7.5 Historical trailing P/NAV ratio of the Units

We have compared the P/NAV of the Units as implied by the Scheme Consideration of 1.04 times against the historical trailing P/NAV of the Units (based on the daily closing prices of the Units and PARAGON REIT’s trailing announced NAV per Unit) for the 2-year Lookback Period up to and including the Latest Practicable Date.



Source: S&P Capital IQ and PPCF calculations

Note:

- (1) P/NAV ratio of the Units implied by the Scheme Consideration (using the latest NAV per Unit computed based on PARAGON REIT’s audited FY2024 financial results announcement) against the trailing P/NAV of the Units computed based on the corresponding NAV as represented by Unitholders’ funds for each financial reporting period as reported by PARAGON REIT in its interim and full-year financial results announcements.

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

The average, minimum and maximum of the historical trailing P/NAV of the Units from 10 February 2023 (being the beginning of the 2-year Lookback Period) up to and including the Latest Practicable Date are set out below:

Historical trailing P/NAV ratio of the Units			
	Historical trailing P/NAV (times)		
	Average	Maximum	Minimum
Periods up to and including the Last Trading Day			
2-year	0.96	1.07	0.88
1-year	0.93	1.00	0.89
6-month	0.94	1.00	0.91
3-month	0.94	0.96	0.92
1-month	0.95	0.96	0.93
10 February 2025, being the Last Trading Day prior to the trading halt	0.95	0.95	0.95
11 February 2025 and up to and including the Latest Practicable Date			
11 February 2025 and up to and including the Latest Practicable Date	1.04	1.06	1.03
Latest Practicable Date	1.03	1.03	1.03

Source: S&P Capital IQ, financial results announcements of PARAGON REIT and PPCF calculations

Based on the above, we note that:

- (a) for the 1-month, 3-month, 6-month, 1-year and 2-year periods up to and including the Last Trading Day prior to the Joint Announcement, the implied P/NAV of 1.04 times is above the average historical trailing P/NAV ratio of the Units of 0.95 times, 0.94 times, 0.94 times, 0.93 times and 0.96 times respectively;
- (b) after the Joint Announcement Date and up to and including the Latest Practicable Date, the implied P/NAV of 1.04 times is in line with the average historical trailing P/NAV ratio of the Units of 1.04 times; and
- (c) as at Latest Practicable Date, the implied P/NAV of 1.04 times is slightly above the historical trailing P/NAV ratio of the Units of 1.03 times.

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

7.6 Valuation ratios of selected listed property investment trusts broadly comparable to PARAGON REIT

For the purpose of evaluating the financial terms of the Scheme, we have made reference to the valuation ratios of selected property investment trusts listed on the SGX-ST which we consider to be broadly comparable to PARAGON REIT (the “**Comparable REITs**”), to get an indication of the current market expectations with regard to the perceived valuation of PARAGON REIT.

We have held discussions with the Management about the suitability and reasonableness in selecting the Comparable REITs for comparison with PARAGON REIT. We have taken reference from the list of Retail REITs trade sector as defined by REIT Association of Singapore (“**REITAS**”) and selected other Comparable REITs which have investment exposure that are largely similar to the investment exposure of PARAGON REIT, namely a significant exposure to retail real estate investments in Singapore and/or Australia.

Relevant information has been extracted from S&P Capital IQ, publicly available annual reports and/or public announcements of the Comparable REITs. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information.

In evaluating these Comparable REITs, we have applied and used the following valuation ratios:

Valuation ratios	General descriptions
P/NAV	“ P/NAV ” or “ price-to-NAV ” illustrates the comparison between a company’s stock price or market value versus the book value of the company’s total shareholders’ common equity as indicated on its balance sheet. Comparisons of companies using their book NAVs are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies. Nonetheless, for a REIT, P/NAV is a primary valuation metric as NAV represents the fundamental value of the underlying real estate business.
LTM Distribution Yield	“ LTM Distribution Yield ” illustrates the aggregate DPU amount that is attributed to Unitholders in relation to the preceding four (4) quarters, divided by the current unit price.

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

Brief descriptions of the Comparable REITs are set out below:

Name	Business description
CapitaLand Integrated Commercial Trust (“ CICT ”)	<p>CICT is the first REIT listed on the SGX-ST since July 2002, CICT is a office/retail focused REIT.</p> <p>As at 31 December 2024, CICT’s portfolio consisted of 21 properties in Singapore, two properties in Frankfurt, Germany and three properties in Sydney, Australia with a total property value of S\$26.0 billion.</p> <p>CICT’s retail portfolio in Singapore includes Bedok Mall, Bugis+, Bugis Junction, Bukit Panjang Plaza, Clarke Quay, IMM Building, ION Orchard, ION Orchard Link, Junction 8, Lot One Shoppers’ Mall, Tampines Mall and Westgate.</p>
Mapletree Pan Asia Commercial Trust (“ MPACT ”)	<p>Listed on the SGX-ST since 27 April 2011, MPACT is a office/retail focused REIT.</p> <p>As at 31 December 2024, MPACT’s total assets under management was S\$15.7 billion with total NLA of 10.5 million sq feet, comprising 17 commercial properties across five key gateway markets of Asia – four in Singapore, one in Hong Kong, two in China, nine in Japan and one in South Korea.</p> <p>MPACT’s portfolio in Singapore includes VivoCity, Mapletree Business City, mTower, and Bank of America Merrill Lynch HarbourFront with a total NLA of 4.7 million sq feet and valued at approximately S\$8.4 billion.</p>

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

Name	Business description
Frasers Centrepoint Trust ("FCT")	<p>Listed on the SGX-ST since 5 July 2006, FCT is a retail focused REIT and one of the largest suburban retail mall owners in Singapore.</p> <p>As at 31 December 2024, FCT's portfolio consisted of 9 suburban retail malls with a total retail portfolio NLA of 2.7 million sq feet and approximately S\$7.1 billion in assets under management.</p> <p>FCT's portfolio includes Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Tampines 1, Tiong Bahru Plaza, Century Square, NEX (50%-interest), Waterway Point (50%-interest), White Sands and Hougang Mall.</p> <p>FCT also owns an office building being Central Plaza, which is integrated with Tiong Bahru Plaza as part of the mixed development, and a 31.15% stake in Hektar Real Estate Investment Trust, a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad.</p>
Lendlease Global Commercial REIT ("LREIT")	<p>Listed on the SGX-ST since 2 October 2019, LREIT is a office/retail focused REIT.</p> <p>As at 31 December 2024, LREIT's portfolio consisted of 5 retail and office buildings with a total NLA of 1.3 million square feet ("sq ft") and valued at approximately S\$3.7 billion.</p> <p>LREIT's portfolio includes JEM and 313@Somerset in Singapore and Sky Complex in Milan, Italy. Other investments include development of a multifunctional event space on a site adjacent to 313@Somerset.</p> <p>LREIT owns 10.0% of the shares in Parkway Parade Partnership Pte. Ltd., which holds an indirect 100% interest in 291 strata lots in Parkway Parade, representing 77.09% of the total share value of the strata lots in Parkway Parade. Parkway Parade is an integrated office and retail development located in Marine Parade, Singapore.</p>

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

Name	Business description
Starhill Global Real Estate Investment Trust (“ Starhill ”)	<p>Listed on the SGX-ST since 20 September 2005, Starhill is a retail focused REIT.</p> <p>As at 31 December 2024, Starhill’s portfolio consisted of 9 mid to high end predominantly retail properties valued at approximately S\$2.8 billion.</p> <p>Starhill’s portfolio includes Wisma Atria and Ngee Ann City in Singapore, The Starhill and Lot 10 in Malaysia, Myer Centre Adelaide, David Jones Building and Plaza Arcade in Australia, a four-storey building in China and Ebisu Fort in Japan.</p>

Source: S&P Capital IQ

We wish to highlight that the Comparable REITs are not exhaustive and we recognise that there may not be any REIT which we may consider to be identical to PARAGON REIT in terms of, *inter alia*, geographical spread, composition of business activities, customer base, size and scale of business operations, risk profile, asset base, market capitalisation, valuation methodologies adopted, accounting policies, track record, future prospects, market/industry size, political risk, competitive and regulatory environment, tax factors, financial positions and other relevant criteria and that such businesses may have fundamentally different annual profitability objectives. The Paragon Independent Directors should note that any comparison made with respect to the Comparable REITs herein is strictly limited in scope and merely serves to provide an illustrative perceived market valuation of PARAGON REIT as at the Latest Practicable Date.

We set out below the valuation statistics for the Comparable REITs based on their last transacted unit prices as at the Latest Practicable Date.

Comparable REITs	Market Capitalisation ⁽¹⁾ (S\$'million)	Gearing (%) ⁽²⁾	P/Adjusted NAV ⁽³⁾ (times)	LTM Distribution Yield ⁽⁴⁾ (%)
CICT ⁽⁵⁾	15,286	38.5	1.00	5.2
MPACT ⁽⁶⁾	6,584	38.2	0.73	6.7
FCT ⁽⁷⁾	4,000	39.3	0.99	5.5
LREIT ⁽⁸⁾	1,243	40.8	0.71	7.0
Starhill ⁽⁹⁾	1,146	36.2	0.72	7.3
			High	1.00
			Low	0.71
			Mean	0.83
			Median	0.73
				7.3
				5.2
				6.3
				6.7

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

Comparable REITs	Market Capitalisation ⁽¹⁾ (S\$'million)	Gearing (%) ⁽²⁾	P/Adjusted NAV ⁽³⁾ (times)	LTM Distribution Yield ⁽⁴⁾ (%)
PARAGON REIT (as implied by the Scheme Consideration)	2,782	35.3	1.07	4.7 ⁽¹⁰⁾

Source: SGXNet, S&P Capital IQ and the relevant announcements by the Comparable REITs on SGXNet

Notes:

- (1) Market capitalisation of the Comparable REITs is based on their respective last transacted prices as at the Latest Practicable Date as extracted from S&P Capital IQ.
- (2) The gearing ratio as at 31 December 2024 as reported in the latest business update of the Comparable REITs.
- (3) P/ANAV is computed by dividing the respective market capitalisation by the latest NAV of the Comparable REITs as reported in the latest financial results announcement, and adjusted for post balance sheet events after 31 December 2024.
- (4) LTM Distribution Yield is computed by dividing the distributions declared in respect of the preceding four (4) quarters of the Comparable REITs as reported in the relevant announcements or annual reports by the respective closing price as at the Latest Practicable Date.
- (5) CICT NAV as at 31 December 2024 is adjusted for the distribution of S\$0.0329 in respect of the period from 12 September 2024 to 31 December 2024 to be paid on 21 March 2025.
- (6) MPACT NAV as at 31 December 2024 is adjusted for the distribution of S\$0.0200 in respect of the period from 1 October 2024 to 31 December 2024 to be paid on 7 March 2025.
- (7) FCT NAV as at 30 September 2024 is adjusted for the distribution of S\$0.0602 in respect of the period from 1 April 2024 to 30 September 2024 and paid on 29 November 2024.
- (8) LREIT NAV as at 31 December 2024 is adjusted for the distribution of S\$0.018 in respect of the period from 1 July 2024 to 31 December 2024 to be paid on 28 March 2025.
- (9) Starhill NAV as at 31 December 2024 is adjusted for the distribution of S\$0.018 in respect of the period from 1 July 2024 to 31 December 2024 to be paid on 25 March 2025.
- (10) LTM distribution yield of PARAGON REIT is based on the total distribution per Unit for FY2024 of Paragon REIT, excluding the special distribution of S\$0.0185 for the divestment of the Rail Mail ("**TRM Special Distribution**"), divided by the Scheme Consideration.

For illustration purposes only, we note that based on the Scheme Consideration:

- (a) the P/Adjusted NAV as implied by the Scheme Consideration of PARAGON REIT of 1.07 times is above the range of the P/Adjusted NAV ratios of the Comparable REITs and above the mean and median P/Adjusted NAV ratios of the Comparable REITs of 0.83 times and 0.73 times respectively; and
- (b) the LTM Distribution Yield of 4.7% is below the range, mean and median of LTM Distribution Yields of Comparable REITs. Please refer to paragraph 7.10 of this letter for further information in relation to the distribution track record and analysis.

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

7.7 Precedent merger and/or acquisition transactions of REITs involving Singapore-based acquirers or targets

For the purpose of our evaluation of the financial terms of the Scheme, we have also compared the valuation statistics implied by the Scheme Consideration *vis-à-vis* recently completed merger and/or acquisition transactions with cash and/or cash and scrip consideration of equity interest in REITs and/or business trusts in the preceding 10 calendar years up to and including the Latest Practicable Date with implied values above S\$500 million that involved a Singapore-based acquirer or target (“**Precedent M&A Transactions**”). However, publicly available information on these Precedent M&A Transactions may be limited and may not include the relevant financial information necessary for our comparison purposes.

Relevant information has been extracted from S&P Capital IQ, the relevant company websites, and/or public announcements of the Precedent M&A Transactions, where available. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information. The details on the selected Precedent M&A Transactions are set out below:

Completion Date	Target REIT/Trust	Description and Background
21 July 2022	Mapletree North Asia Commercial Trust (“ MNACT ”)	<p>Listed on the SGX-ST since 7 March 2013, MNACT is the first and only North Asia focused commercial REIT.</p> <p>As at 31 December 2021, MNACT had a portfolio of 13 properties, including 10 properties located in China, Hong Kong SAR, Japan and South Korea, with a total net lettable area of 5.9 million sq ft.</p> <p>On 31 December 2021, the respective boards of directors of Mapletree Commercial Trust (“MCT”) and MNACT jointly announced the proposed merger of MCT and MNACT.</p> <p>The proposed scheme consideration valued MNACT at approximately S\$4.2 billion comprising:</p> <ul style="list-style-type: none"> (i) scrip-only consideration of 0.5963 consideration units at the scheme issue price of S\$2.0039; or (ii) cash-and-scrip consideration of S\$0.1912 in cash and 0.5009 consideration units at the scheme issue price of S\$2.0039; or (iii) cash-only consideration of S\$1.1949 in cash. <p>The scheme became effective on 21 July 2022.</p>

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

Completion Date	Target REIT/Trust	Description and Background
31 March 2021	Soilbuild Business Space REIT (“ Soilbuild ”)	<p>Listed on the SGX-ST since 16 August 2013, Soilbuild is an industrial REIT focused on business spaces.</p> <p>As at 30 September 2020, Soilbuild’s portfolio comprised of 13 business space properties located across Singapore and Australia.</p> <p>On 14 December 2020, the respective boards of SB REIT Management Pte. Ltd. and Clay Holdings III Limited (“Clay”) jointly announced the proposed acquisition of all the remaining 69.7% of issued units in Soilbuild from DBS Bank Ltd. and other unitholders for approximately S\$490 million which shall be effected by way of a trust scheme of arrangement. Clay is a vehicle jointly established by entities within The Blackstone Group Inc. and Mr. Lim Chap Huat, Executive Chairman and Co-founder of Soilbuild.</p> <p>The proposed scheme consideration valued Soilbuild at approximately S\$687 million comprising 100% cash consideration of S\$0.53806 per Soilbuild unit after reducing the distribution made in the fourth quarter of FY2020 from the scheme consideration of S\$0.550 per Soilbuild unit.</p> <p>The scheme became effective on 31 March 2021.</p>
29 September 2020	Accordia Golf Trust (“ AGT ”)	<p>Listed on SGX-ST since 1 August 2014, AGT is the first business trust listed on the Main Board of the SGX-ST comprising golf course assets in Japan.</p> <p>As at 31 December 2019, AGT owned 88 golf courses located in Japan (“Golf Courses”), which were managed by Accordia Golf Co., Ltd., (“Accordia Golf”). The Golf Courses were diversified across the main island of Japan, with a focus on the 3 largest metropolitan regions of Greater Tokyo, Greater Osaka and Greater Nagoya areas, which constituted 85% of the portfolio total valuation.</p> <p>On 29 June 2020, the unitholders of AGT agreed to divest AGT’s interests in the Golf Courses to Accordia Golf.</p> <p>The divestment became effective on 29 September 2020.</p>

**APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON
INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN
RESPECT OF THE SCHEME**

Completion Date	Target REIT/Trust	Description and Background
15 January 2019	RHT Health Trust (“ RHT Health ”)	<p>Listed on SGX-ST since 19 October 2012, RHT Health is a business trust with India based healthcare assets.</p> <p>As at 30 September 2017, RHT Health’s portfolio consisted of 12 clinical establishments, 4 greenfield clinical establishments and 2 operating hospitals across India.</p> <p>On 15 November 2017, the Trustee-Manager of RHT Health received a proposal from Fortis Healthcare Limited (“Fortis Health”) for RHT Health’s entire asset portfolio of clinical establishments and hospitals in India for a purchase consideration of INR46,500 million (S\$913.5 million).</p> <p>On 26 September 2018, the unitholders of RHT Health agreed to dispose of RHT Health’s entire asset portfolio.</p> <p>The divestment was completed on 15 January 2019.</p>
16 October 2017	Croesus Retail Trust (“ Croesus ”)	<p>Listed on SGX-ST since 10 May 2013, Croesus is a retail business trust with a portfolio focused on retail real estate assets located in Japan.</p> <p>As at 31 March 2017, Croesus’ portfolio comprised of 11 retail properties located across Japan.</p> <p>On 28 June 2017, Croesus and the Offeror, Cyrus Bidco Pte. Ltd. (“Cyrus”), a company incorporated in Singapore by funds managed or advised by affiliates of The Blackstone Group L.P. announced the proposed acquisition of all the units in Croesus by way of a scheme of arrangement.</p> <p>The scheme became effective on 16 October 2017.</p>
4 March 2016	Saizen Real Estate Investment Trust (“ Saizen ”)	<p>Listed on SGX-ST since 9 November 2007, Saizen is a REIT focused on real estate located in Japan, which is used primarily for residential and residential-related purposes.</p> <p>As at 30 June 2015, Saizen’s portfolio consisted of 136 residential properties located in 14 Japanese cities.</p> <p>On 22 October 2015, the REIT manager of Saizen received a firm offer for Saizen’s entire portfolio of real estate assets in Japan by Triangle TMK (a Japanese affiliate of Lone Star Funds) for a purchase consideration of JPY44,660.0 million (S\$514.1 million).</p> <p>On 5 February 2016, the unitholders of Saizen agreed to dispose of Saizen’s entire portfolio of real estate assets in Japan to Triangle TMK.</p> <p>The divestment was completed on 4 March 2016.</p>

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

Completion Date	Target REIT/Trust	Description and Background
11 February 2015	Forterra Trust (“Forterra”)	<p>Listed on SGX-ST since 21 June 2010, Forterra was established to acquire, develop and manage commercial real estate in China.</p> <p>As at 30 September 2014, Forterra’s portfolio consisted of 6 office/retail properties located in Shanghai and Qingdao.</p> <p>On 4 November 2014, New Precise Holdings Limited (“NPHL”) announced a mandatory cash offer to acquire all the units at S\$1.85 per unit. On 24 November 2014, NPHL acquired an additional 53,889,162 units by way of a number of married trades on the SGX-ST at S\$2.25 per unit. Consequently, the offer price was revised to S\$2.25 per unit and the offer became unconditional.</p> <p>The offer closed on 5 January 2015 and NPHL owned, controlled, acquired or agreed to acquire an aggregate of 249,598,882 units, representing approximately 97.11% of the total number of issued units, which entitled NPHL to exercise its right of compulsory acquisition.</p> <p>Following the completion of compulsory acquisition by NPHL on 11 February 2015, Forterra was delisted from SGX-ST on 13 February 2015.</p>

Source: Relevant company announcements and offer/scheme documents by targets and acquirers.

Precedent M&A Transactions									
Target REIT/Trust/Company	Acquirer REIT/Trust/Company	Offer Price per Share (S\$)	Implied Equity Value ⁽¹⁾ (S\$’million)	Premium/(discount) of price offered prior to the offer announcement date ⁽²⁾					
				Implied P/Adjusted NAV (times)	Last transacted price	1-month VWAP	3-month VWAP	6-month VWAP	12-month VWAP
MNACT	MCT	1.1949	4,078	1.00	7.6%	14.4%	17.5%	17.8%	17.3%
Soilbuild	Clay	0.5381 ⁽³⁾	687	0.99	25.1%	31.6%	31.9%	49.9%	26.3%
AGT	Accordia Golf	0.7580	833	1.09	26.3%	26.2%	32.8%	36.4%	44.7%
RHT Health	Fortis Health	0.8250	670	1.06	22.0%	9.1%	2.7%	2.1%	(1.9)%
Croesus	Cyrus	1.1700	901	1.19	24.5%	26.2%	32.0%	34.5%	37.7%
Saizen	Triangle TMK	1.1620	514	1.00	35.9%	39.5%	39.3%	36.7%	34.3%
Forterra	NPHL	2.2500	578	0.58 ⁽⁴⁾	32.4%	51.1%	49.7%	39.8%	25.1%

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

We wish to highlight to the Paragon Independent Directors and the Paragon Trustee that the Precedent M&A Transactions are not exhaustive and the target REITs/business trusts may not be directly comparable to PARAGON REIT in terms of location, business activities, customer base, size of operations, asset base, geographical spread of activities, geographical markets, track record, financial performance, operating and financial leverage, future prospects, liquidity, quality of earnings, accounting policies, risk profile and other relevant criteria. As such, any comparison made herein is necessarily limited and it may be difficult to place reliance on the comparison of the valuation statistics for these Precedent M&A Transactions. Therefore, any comparison made serves only as an illustrative guide.

7.8 Analysts' estimates and price targets for PARAGON REIT

We have noted and reviewed the recommendations and estimate of the price targets of PARAGON REIT from the latest analyst research reports. The summary of the price targets by analysts within 12 months prior to the Joint Announcement Date is set out in the table below:

Analysts' price targets for PARAGON REIT				
Date	Analyst	Recommendation	Target Price (S\$)	Premium/ (Discount) of Scheme Consideration to Target Price
5 Nov 2024	DBS Bank Ltd. ⁽¹⁾	Buy	1.0500	(6.7)%
8 Nov 2024	CGS International	Hold	0.9200	6.5%
11 Nov 2024	Beansprout	Neutral	0.8500	15.3%
Mean			0.9400	

Source: Various research reports of the brokers, publicly available information and analyst target prices as extracted from Bloomberg L.P..

Note:

- (1) The target price of S\$1.0500 recommended by DBS Bank Ltd. is higher than the Scheme Consideration of S\$0.9800 due to the analysts' views of the interest rate outlook being in favour of the REIT sector which is suited for unitholders with a long-term investment horizon.

Based on the above analysts research reports prior to the Joint Announcement, we note that the Scheme Consideration of S\$0.9800 represents a premium of 4.3% to the mean target price of S\$0.9400 of the latest analyst research reports. Following the release of the Joint Announcement, we note that both CGS International and Beansprout had issued reports on 11 February 2025 with a revised target price of S\$0.9800 which is in line with the Scheme Consideration.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

We wish to highlight that the above analyst research reports are not exhaustive and the estimated price targets of the Units and recommendations in these reports represent the individual views of the respective analysts (and not PPCF) based on the circumstances, including but not limited to, market, economic and industry conditions and market sentiment and investor perceptions on the prospects of PARAGON REIT, prevailing at the date of the publication of the respective reports. The opinion of the analysts may change over time due to, *inter alia*, changes in market conditions, PARAGON REIT's corporate developments and the emergence of new information relevant to PARAGON REIT. As such, the estimated price targets in these analyst research reports may not be an accurate prediction of future market prices of the Units.

7.9 Estimated valuation of the Units

As set out above, we have taken into consideration various factors and evaluated the financial terms of the Scheme, being the Scheme Consideration of S\$0.9800 per Unit.

Earnings Approach

Earnings Approach uses a set of projected cash flows accruing to the underlying assets and discounting them at an appropriate rate to arrive at the present value of the asset. In the absence of any cash flow projections and given the asset-intensive nature of REITs, we are of the view that the asset approach and market approach are the most appropriate for valuing the Units.

Asset Approach

Based on our assessment, we are of the view that the Adjusted NAV per Unit as at 31 December 2024 represents the value of PARAGON REIT's underlying property portfolio and other assets, net of liabilities. As such, we established that the Adjusted NAV per unit of S\$0.9152 as at 31 December 2024 to be the lower bound of our estimated valuation range.

Market Approach

For the market approach, we have considered the mean and median (i) P/Adjusted NAV ratios of the Comparable REITs; and (ii) P/Adjusted NAV ratio of Precedent M&A Transactions, against the P/Adjusted NAV and P/Adjusted NAV ratios as implied by the Scheme Consideration. We have also considered the latest analyst research reports covering PARAGON REIT and the mean price target for the latest analyst research reports. We are of the view that the P/Adjusted NAV ratio of Precedent M&A Transactions is a more appropriate multiple to assess the value of the Units under a willing-buyer and willing-seller situation for publicly listed REITs or business trusts. Accordingly, we have applied the mean (excluding the outlier) implied P/Adjusted NAV multiple of the Precedent M&A Transactions of 1.06 times to the Adjusted NAV per unit of S\$0.9152 as at 31 December 2024 to derive at the higher bound of our estimated valuation range of S\$0.9701 per Unit.

As such, the Scheme Consideration of S\$0.9800 is above our estimated valuation range for the Units of between S\$0.9152 and S\$0.9701.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

7.10 Distribution track record of PARAGON REIT

For the purpose of assessing the Scheme, we have considered the historical distribution track record of the Units for the last five financial years prior to the Joint Announcement Date and compared them with the returns which a Unitholder may potentially obtain by re-investing the proceeds from the Scheme in other selected alternative equity investments.

PARAGON REIT had declared and paid the following distributions in respect of its last five financial years:

Historical distribution track record of PARAGON REIT					
(S\$)	2020 ⁽¹⁾	2021 ⁽¹⁾	2022 ⁽²⁾	2023 ⁽³⁾	2024 ⁽³⁾
1Q distribution per Unit	0.0138	0.0120	0.0124	0.0242	0.0232
2Q distribution per Unit	0.0030	0.0124	0.0144		
3Q distribution per Unit	0.0050	0.0138	0.0145	0.0260	0.0233
4Q distribution per Unit	0.0054	0.0158	0.0139		
4M22 distribution per Unit	–	–	0.0172 ⁽⁴⁾	–	–
Special distribution per Unit	–	–	–	–	0.0185 ⁽⁵⁾
Total distribution per Unit	0.0272	0.0540	0.0724	0.0502	0.0650
Average price per Unit ⁽⁶⁾	0.9641	0.8564	0.9415	0.9099	0.8607
Annualised distribution yield (%)	2.8	6.3	5.8 ⁽⁷⁾	5.5	7.6 ⁽⁸⁾ 5.4 ⁽⁹⁾
					LTM Distribution Yield of PARAGON REIT (as implied by the Scheme Consideration) 4.7 ⁽⁹⁾

Source: S&P Capital IQ, financial results and distribution announcements of PARAGON REIT and PPCF calculations

Notes:

- (1) Period relate to September of the preceding year to August of the current year.
- (2) Period relates to September of the preceding year to December of the current year.
- (3) Period relates to January to December of the current year.
- (4) Based on distributions for 1 September 2022 to 31 December 2022.
- (5) Based on the TRM Special Distribution.
- (6) Calculated based on the average price of the Units during trading days for the corresponding period.
- (7) Based on annualised distributions for 2022 of 5.52 cents which includes distributions relating to the pro-rated 2-months distribution per Unit from 1 December 2021 to 28 February 2022 and the distribution per Unit for the period from 1 March 2022 and 31 December 2022.
- (8) Based on the total distribution per Unit for FY2024 of PARAGON REIT.
- (9) Based on the total distribution per Unit, but excluding the TRM Special Distribution for FY2024 of PARAGON REIT.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

Based on the above distribution analysis, we note the LTM Distribution Yield of PARAGON REIT as implied by the Scheme Consideration is 4.7%.

The mean and median LTM Distribution Yield of the Comparable REITs of 6.3% and 6.7% respectively as set out in paragraph 7.6 of this letter is higher than the distribution yield of PARAGON REIT as implied by the Scheme Consideration of 4.7%. By comparing the LTM Distribution Yield of 4.7% to the mean and median LTM Distribution Yield of the Comparable REITs, it suggests that a Unitholder may potentially receive a higher distribution yield through reinvesting an equivalent amount into Comparable REITs.

With reference to its annual report, the distribution policy of PARAGON REIT is to distribute at least 90% of its specified taxable income, comprising rental and other property-related income from its business of property letting, interest income and top-up payments from income support and after deducting allowable expenses and applicable tax allowances. The actual level of distribution will be determined at the Paragon Manager’s discretion, taking into consideration PARAGON REIT’s capital management and funding requirements.

There can be no assurance that PARAGON REIT will continue its distributions in the future or maintain the level of distributions that were paid in the past periods.

For the purpose of analysing the Scheme, we have considered that the Unitholders may re-invest the proceeds from the Scheme in selected alternative equity investments such as a broad Singapore REIT index instrument such as the Lion-Phillip S-REIT ETF (“**S-REIT ETF**”).

For illustration purposes, the distribution yield of the S-REIT ETF based on their distributions declared over the latest 12 months are as follows:

Distribution yield of alternative equity investment	
	LTM Distribution Yield ⁽¹⁾ (%)
S-REIT ETF	5.8%
PARAGON REIT (implied by the Scheme Consideration)	4.7% ⁽²⁾

Source: S&P Capital IQ, financial results and distribution announcements of PARAGON REIT and PPCF calculations

Notes:

- (1) LTM Distribution Yield of S-REIT ETF is computed as the distributions declared over the latest 12 months divided by the closing market price as at the Latest Practicable Date (or where there was no trading on such date, the last available closing market price). The aforementioned distribution yield computed may differ from the actual distribution yield which will vary depending on the actual cost of investment paid by the individual investor.
- (2) LTM Distribution Yield of PARAGON REIT is based on the total distribution per Unit, excluding the TRM Special Distribution, divided by the Scheme Consideration.

Based on the above distribution analysis, we note the LTM Distribution Yield of PARAGON REIT as implied by the Scheme Consideration of 4.7% is below that of the S-REIT ETF of 5.8%. By comparing the LTM Distribution Yield of 4.7%, it suggests that a Unitholder may potentially receive a higher distribution yield through reinvesting an equivalent amount into the S-REIT ETF.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

We wish to highlight that the above distribution analysis serves only as an illustrative guide and is not an indication of PARAGON REIT's future distribution policy nor that of the S-REIT ETF. There is no assurance that PARAGON REIT will continue or S-REIT ETF will continue to pay distributions and dividends in the future and/or maintain the level of distributions and dividends paid in past periods.

Notwithstanding the above, it is uncertain whether PARAGON REIT and S-REIT ETF can maintain its historical yields at the levels set out above, hence it is uncertain whether the Unitholders will be able to achieve their desired levels of investment income by liquidating their investment in PARAGON REIT and reinvesting their proceeds in the S-REIT ETF or other alternative investments.

The Paragon Independent Directors and the Paragon Trustee should note that an investment in S-REIT ETF provides a different risk-return profile as compared to an investment in the Units, and therefore the above comparison serves purely as a guide only. Furthermore, it should also be noted that the above analysis ignores the effect of any potential capital gain or capital loss that may accrue to the Unitholders arising from their investment in the Units due to market fluctuations in the price of the Units during the relevant corresponding periods in respect of which the above distribution yields were analysed.

In addition, there can be no assurance that in any given year a distribution will be proposed or declared. The payment of distributions, if any, and the amounts and timing thereof, will depend on a number of factors, including future profits, financial conditions, general economic and business conditions, and future prospects and such other factors as the Paragon Independent Directors or the Paragon Manager may deem relevant, as well as other legal and regulatory requirements.

8 OTHER CONSIDERATIONS

8.1 Outlook of the industry that PARAGON REIT is operating in

We note that the Paragon Manager had made a commentary in the FY2024 results announcement on the significant trends and competitive conditions of the industry that may affect PARAGON REIT in the next reporting period and the next 12 months. The commentary has been reproduced below in italics and should be read in the context of the entire FY2024 results announcement:

"Singapore

Based on advance estimates by the Ministry of Trade and Industry, Singapore economy grew by 4.3% year-on-year in 4Q 2024, slower than the 5.4% year-on-year growth recorded in 3Q 2024. For 2024, the economy grew by 4.0% year-on-year, faster than the 1.1% year-on-year growth in 2023.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

According to the Department of Statistics Singapore, Retail sales (excluding motor vehicles) declined 4% year-on-year for December 2024, with four of the 13 retail categories recording year-on-year growth, namely Food & Alcohol (+9.4%), Cosmetics, toiletries & medical goods (+2.2%), Supermarkets & hypermarkets (+0.8%), and Recreational goods (+0.6%). According to the Ministry of Trade and Industry, consumer-facing sectors such as the retail trade sector shrank in 2024, partly due to an increase in outbound travel by locals. The trend is expected to persist in 2025 with Singaporeans expected to continue travelling extensively and spending abroad.

The Singapore Tourism Board expects international arrivals of 17 to 18.5 million for 2025, and \$29 to \$30.5 billion in tourism receipts.

Australia

Australia's GDP growth was 0.8% year-on-year through the year to end-September 2024, the lowest rate since the COVID-19 affected December quarter 2020. Government spending and public capital investment were the main drivers of GDP growth.

Retail turnover rose 4.6% year-on-year in December 2024 and unemployment rate remained at 4.0% year-on-year in December 2024.

Deloitte Access Economics' Retail Forecasts suggests consumers are starting to shift from saving to spending, especially when there are good deals on offer, partly due to an uptick in savings since tax cuts started making their way to consumers in July 2024.

Portfolio

In January 2025, the US Federal Reserve Board kept the fed funds rate unchanged at 4.25% to 4.50%. A moderating but healthy US job market, coupled with rising inflation expectations from the new US administration policies, have kept the Federal Reserve inclined to hold rates steady for the foreseeable future.

Macroeconomic uncertainties are likely to remain elevated in the near-term as the market anticipates how the new US administration will address immigration, tariffs and tax cuts. Analysts have opined that global trade and growth (including heightened inflation pick up) are at risk from a wider trade war as the US contemplates broader tariffs with economic partners.

The Monetary Authority of Singapore eased monetary policy in January for the first time in nearly five years, announcing it will "reduce slightly" the slope of the Singapore dollar nominal effective exchange rate (S\$NEER) policy band. The central bank added that the adjustment is consistent with a modest and gradual appreciation path of the S\$NEER policy band that will ensure medium-term price stability.

The Reserve Bank of Australia left the cash rate on hold at 4.35% in December 2024 and ended the year signalling it had more confidence inflation was falling towards the central bank's target range and that it could be ready to cut interest rates as soon as February if inflation and unemployment data meet or come in softer than expectations."

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

8.2 Increased Competition for Paragon

We note that the Offeror had highlighted in paragraph 4.2 of the Letter to Unitholders in the Scheme Document that Paragon is experiencing mounting competition with its premier status and luxury shopping destination increasingly challenged by malls in the surrounding or nearby areas as set out below.

Surrounding Malls		
Mall	Type	Remarks
ION	Existing Competitor	Opened in 2009
Ngee Ann City	Existing Competitor	Opened in 1993 AEI plan agreed in 2023
The Shoppes at MBS	Existing Competitor	Opened in 2010 Approximately US\$8 billion expansion at MBS
Wisma Atria	Existing Competitor	Opened in 1986 Latest AEI in 2023
Ming Arcade	Upcoming Redevelopments	Royal Group exploring redevelopment options
Tanglin Shopping Centre	Upcoming Redevelopments	Pacific Eagle Real Estate exploring redevelopment options
Voco Orchard, Forum The Shopping Mall, HPL House	Upcoming Redevelopments	URA approval received by Hotel Properties Limited for redevelopment in 2024

With the presence of various luxury malls and upcoming redevelopment works for malls in the Orchard and Marina Bay area, this will likely result in increased competition for Paragon in the shopping belt.

We note that the Offeror believes a major Potential AEI for Paragon is necessary for it to maintain its long-term competitiveness as a leading upscale retail mall in Singapore. As set out in paragraph 6 of this letter, one of the rationale of the Scheme includes a Potential AEI to rejuvenate Paragon in order to future-proof Paragon's competitive positioning.

The Offeror has indicated that the Potential AEI carries execution risks, including uncertainties around cost and timing, which would be more suitably carried out in a private setting. A Potential AEI carries significant execution risks that are inherent to such large-scale construction projects, including but not limited to ongoing business disruptions arising from the construction, uncertainties around cost and timing, and potential changes in market conditions that may impact leasing demand and/or rental rates.

We note that given that the Potential AEI is still subject to further in-depth feasibility assessments, there is significant uncertainty as to the parameters for, and the impact of, such Potential AEI on PARAGON REIT. Nonetheless, based on the sensitivity analysis as prepared by the Offeror for illustration purposes, PARAGON REIT's FY2024 DPU would have ranged between 1.63 to 3.55 Singapore cents, representing a potential decrease of between 21.4% to 64.0% to the FY2024 Adjusted DPU, assuming a Potential AEI capital expenditure of S\$300 million to S\$600 million.

If the Scheme is successful and a major Potential AEI is carried out, Unitholders will not need to bear the volatility and execution risks associated with such an initiative.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

8.3 Offeror’s future intentions for PARAGON REIT

Upon completion of the Scheme, PARAGON REIT will be wholly-owned by the Cuscaden Peak Group and will, subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST. The Offeror and PARAGON REIT will continue to review, from time to time, the operations of PARAGON REIT as well as its strategic options. The Offeror retains and reserves the right and flexibility at any time and from time to time to further consider any options or opportunities in relation to PARAGON REIT which may present themselves or which the Offeror may regard to be in the interests of PARAGON REIT. Save as disclosed above, the Offeror has no current intention to (a) introduce any major changes to the business of PARAGON REIT; (b) re-deploy the fixed assets of PARAGON REIT; or (c) discontinue the employment of the employees of PARAGON REIT (if any), save in the ordinary course of business.

8.4 Likelihood of competing Schemes

The Management and Paragon Independent Directors have confirmed that, as at the Latest Practicable Date, apart from the Scheme being made by the Offeror, no alternative Scheme or binding proposal similar to or in competition with the Scheme has been received by PARAGON REIT.

The Offeror Concert Parties group is the largest group of Unitholders representing more than 50 per cent unitholding interest in PARAGON REIT as at the Latest Practicable Date and the likelihood of a competing Scheme from a third party is remote. No other competing offer will be capable of turning unconditional or succeeding without the Offeror’s support.

In the event of a competing offer or an intention to make a competing offer is announced or reasonably expected to be announced, the Offeror may exercise the Switch Option and the details of the Switch Option are set out in paragraph 5.7 of the Letter to Unitholders in the Scheme Document.

9 OPINION

In arriving at our opinion in respect of the Scheme, we have considered the following key considerations (which should be read in conjunction with, and in the context of, the full text of this letter):

9.1 Assessment of fairness of the Scheme

In determining the fairness of the Scheme, we have considered the following:

- (i) Based on PARAGON REIT’s NAV per Unit of S\$0.9385 as at 31 December 2024, the Scheme Consideration represents a slight premium of 4.4% over the NAV per Unit and the P/NAV ratio of PARAGON REIT as implied by the Scheme Consideration is 1.04 times;
- (ii) Based on PARAGON REIT’s Adjusted NAV per Unit of S\$0.9152 as at 31 December 2024, the Scheme Consideration represents a premium of 7.1% over the Adjusted NAV per Unit and the P/Adjusted NAV ratio of PARAGON REIT as implied by the Scheme Consideration is 1.07 times;

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

- (iii) Based on PARAGON REIT's Ex-cash Adjusted NAV per Unit of S\$0.9013 as at 31 December 2024, the Scheme Consideration as adjusted for adjusted cash and cash equivalents of S\$0.0139 per Unit, is S\$0.9661 per Unit and, represents a premium of 7.2% over the Ex-cash Adjusted NAV per Unit;
- (iv) For the 1-month, 3-month, 6-month, 1-year and 2-year periods up to and including the Last Trading Day prior to the Joint Announcement, the implied P/NAV of 1.04 times is above the average historical trailing P/NAV of the Units of 0.95 times, 0.94 times, 0.94 times, 0.93 times and 0.96 times respectively;
- (v) after the Joint Announcement Date and up to and including the Latest Practicable Date, the implied P/NAV of 1.04 times is in line with the average historical trailing P/NAV ratio of the Units of 1.04 times;
- (vi) as at Latest Practicable Date, the implied P/NAV of 1.04 times is slightly above the historical trailing P/NAV ratio of the Units of 1.03 times;
- (vii) In respect of the Comparable REITs,
 - the P/Adjusted NAV as implied by the Scheme Consideration of PARAGON REIT of 1.07 times is above the range of the P/Adjusted NAV ratios of the Comparable REITs and above the mean and median P/Adjusted NAV ratios of the Comparable REITs of 0.83 times and 0.73 times respectively;
- (viii) In respect of the Precedent M&A Transactions:
 - Paragon REIT has a P/Adjusted NAV ratio of 1.07 times which is within the range of P/Adjusted NAV ratios and higher than the mean (excluding the outlier) P/Adjusted NAV ratio and median (excluding the outlier) P/Adjusted NAV ratio of 1.06 times and 1.03 times respectively;
- (ix) The Scheme Consideration of S\$0.9800 represents a premium of 4.3% to the mean target price of S\$0.9400 of the latest analyst research reports; and
- (x) The Scheme Consideration of S\$0.9800 is above our estimated valuation range for the Units of between S\$0.9152 and S\$0.9701.

After careful consideration of the above factors, we are of the view that the financial terms of the Scheme is **FAIR**.

9.2 Assessment of reasonableness of the Scheme

In determining the reasonableness of the Scheme, we have considered the following:

- (i) During the 2-year Lookback Period, the Units had traded no higher than the Scheme Consideration;
- (ii) The Scheme Consideration of S\$0.9800 represents premia of 10.9%, 12.8%, 11.2%, 11.6% and 10.9% over the VWAP of the Units for the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to the release of the Joint Announcement respectively;
- (iii) The Scheme Consideration represents a premium of 10.1% over the closing price of the Units of S\$0.890 on the Last Trading Day;

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

- (iv) Between the Joint Announcement Date and up to and including the Latest Practicable Date, the Units had traded slightly above the Scheme Consideration during the cum distribution period and slightly below the Scheme Consideration during the ex distribution period and were last transacted at S\$0.965 on the Latest Practicable Date;
- (v) During the 2-year Lookback Period, the Units were traded every day PARAGON REIT was open for trading on the SGX-ST but the average daily traded volume of the Units for the 2-year, 1-year, 6-month, 3-month, 1-month periods and the Last Trading Day prior to the release of the Scheme was very low, representing 0.09%, 0.10%, 0.13%, 0.07%, 0.07% and 0.21% of the free float of the Units respectively;
- (vi) Subsequent to the Joint Announcement Date and up to and including the Latest Practicable Date, the trading liquidity of the Units increased to an average daily traded volume of approximately 2.91 million Units, representing approximately 0.27% of PARAGON REIT's free float. As at the Latest Practicable Date, the average daily traded volume was approximately 0.39 million Units, representing approximately 0.04% of PARAGON REIT's free float;
- (vii) For the 2-year period up to and including the Last Trading Day, the Units had generally performed below the rebased FSSTI, and the rebased FNRE during the period between 31 October 2023 and the Last Trading Day, whereas the Units had generally performed below the rebased iEDGE S-REIT during the period between 15 September 2023 and 8 April 2024;
- (viii) From the Last Trading Day and up to the Latest Practicable Date, the prices of the Units had increased significantly to outperform the rebased iEDGE S-REIT, the rebased FSSTI and the rebased FNRE, having increased by approximately 8.4% as compared to the increase of approximately 1.8% and 1.4% in the rebased iEDGE S-REIT and the rebased FSSTI respectively over the same period, and the decrease of approximately 1.1% in the rebased FNRE over the same period;
- (ix) In respect of the Comparable REITs,
 - the LTM Distribution Yield of 4.7% is below the range, mean and median of LTM Distribution Yields of Comparable REITs;
- (x) In respect of the Precedent M&A Transactions:
 - the premia implied by the Scheme Consideration to the last transacted price and VWAP for the 1-month, 3-month, 6-month and 12-month periods is within the range of the premia but below the mean and median premia over the last transacted prices and VWAPs of the target REIT/business trust of the Precedent M&A Transactions for the respective periods;
- (xi) The LTM Distribution Yield of PARAGON REIT as implied by the Scheme Consideration of 4.7% is below that of the S-REIT ETF of 5.8%. By comparing the LTM Distribution Yield of 4.7%, it suggests that a Unitholder may potentially receive a higher distribution yield through reinvesting an equivalent amount into the S-REIT ETF; and
- (xii) As at the Latest Practicable Date, apart from the Scheme being made by the Offeror, no alternative Scheme or proposal similar to or in competition with the Scheme has been received by PARAGON REIT.

APPENDIX A – LETTER FROM THE PARAGON IFA TO THE PARAGON INDEPENDENT DIRECTORS AND TO THE PARAGON TRUSTEE IN RESPECT OF THE SCHEME

After careful consideration of the above factors, we are of the view that the financial terms of the Scheme is **REASONABLE**.

Having considered as at Latest Practicable Date the aforementioned factors set out in this letter and summarised in this section, we are of the opinion that the financial terms of the Scheme are fair and reasonable. Based on our opinion, we advise the Paragon Independent Directors to recommend that Minority Unitholders vote in favour of the Scheme, unless Minority Unitholders are able to obtain a price higher than the Scheme Consideration, taking into account all the brokerage commissions or transactions costs in connection with open market transactions.

The Paragon Independent Directors should also note that any trades or transactions in the Units after the Latest Practicable Date are subject to possible market fluctuations and accordingly, our opinion on the Scheme does not and cannot take into account the future transactions or price levels that may be established for the Units since these are governed by factors beyond the ambit of our review.

In rendering our opinion, we have not had regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual Unitholder. As each Unitholder would have different investment objectives and profiles, we would advise the Paragon Independent Directors to recommend that any individual Unitholder who may require specific advice in relation to his investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately. As such, our opinion should not be the sole basis for deciding whether or not to vote in favour of the Scheme.

This letter is issued pursuant to Rule 1309(2) of the Listing Manual as well as under the Code and the rulings and confirmations of the SIC in respect of the Scheme to advise (i) the Paragon Independent Directors for the purposes of making a recommendation to the Minority Unitholders in connection with the Scheme; and (ii) the Paragon Trustee on the Scheme, and should not be relied on by any other party. The recommendation made by Paragon Independent Directors to the Minority Unitholders in relation to the Scheme shall remain the sole responsibility of the Paragon Independent Directors.

Whilst a copy of this letter may be reproduced in the Scheme Document, neither PARAGON REIT nor the Paragon Independent Directors, nor the Paragon Trustee may reproduce, disseminate or quote this letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of PPCF in each specific case, except for the purpose of the Scheme. This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully,
For and on behalf of
PrimePartners Corporate Finance Pte. Ltd.

Mark Liew
Chief Executive Officer and Executive Director

Wong Wei Fong
Director, Corporate Finance

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

TIMES PROPERTIES PRIVATE LIMITED

(Company Registration No: 195900026E)

(Incorporated in Singapore)

27 March 2025

To: Unitholders

Dear Sir/Madam

PROPOSED PRIVATISATION OF PARAGON REIT BY WAY OF A TRUST SCHEME OF ARRANGEMENT

1. INTRODUCTION

1.1 Joint Announcement

On the Joint Announcement Date, the respective boards of Paragon Manager, and TPPL (a wholly-owned subsidiary of CP), announced the proposed privatisation of PARAGON REIT, which will be effected through the acquisition by TPPL of all the Units held by the Minority Unitholders, by way of the Scheme in compliance with the Code and the Paragon Trust Deed, as may be amended, supplemented or varied from time to time (including as may be amended by the Paragon Trust Deed Amendments).

A copy of the Joint Announcement is available on the website of the SGX-ST at www.sgx.com.

1.2 Implementation Agreement

In connection with the Scheme, TPPL, the Paragon Manager and the Paragon Trustee had entered into the Implementation Agreement setting out the terms and conditions on which the Parties will implement the Scheme.

1.3 Scheme Document

This Offeror’s Letter to the Unitholders should be read and construed together with, and in the context of, the Scheme Document issued by PARAGON REIT to the Unitholders containing details of the Scheme. Unless otherwise stated, terms used but not defined in this Offeror’s Letter shall have the same meanings as defined in this Scheme Document.

If you are in any doubt about this Offeror’s Letter, the Scheme or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

2. THE SCHEME

2.1 Scheme Consideration

S\$0.9800 IN CASH FOR EACH UNIT
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APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

2.1.1 Based on the Units held by the Minority Unitholders as at the Latest Practicable Date, the aggregate Scheme Consideration payable for all the Units held by the Minority Unitholders is S\$1,071,190,010.38. In consideration of the transfer of the Units and subject to paragraph 2.1.2(3) of this Offeror’s Letter, TPPL will, subject to the Scheme becoming effective in accordance with its terms, pay or procure the payment of a sum of S\$0.9800 in cash for each Unit held by each of the Minority Unitholders as at the Record Date in accordance with the terms and conditions of the Implementation Agreement.

2.1.2 2H FY2024 Distribution

- (1) On the Joint Announcement Date, the Paragon Manager declared the 2H FY2024 Distribution of 2.33 Singapore cents for each Unit in cash, in respect of 2H FY2024, which distribution will be paid to entitled Unitholders on 28 March 2025.
- (2) The Scheme Consideration will not be reduced or otherwise adjusted for the 2H FY2024 Distribution. Accordingly, in the event the Scheme becomes effective in accordance with its terms, the Minority Unitholders who are entitled to and have received payment of the 2H FY2024 Distribution shall have the right to retain the 2H FY2024 Distribution in addition to the Scheme Consideration.
- (3) In the event that any Excess Distribution is declared, made or paid by the Paragon Manager, TPPL shall have the right to adjust the Scheme Consideration so as to reduce the amount of Scheme Consideration payable for each Unit by an amount equivalent to such Excess Distribution.

2.2 Terms of the Scheme

2.2.1 The Scheme is proposed to be effected in accordance with the Code and the Paragon Trust Deed (as amended by the Paragon Trust Deed Amendments), subject to the terms and conditions of the Implementation Agreement. Under the Scheme:

- (1) subject to the Scheme becoming effective and binding in accordance with its terms, all the Units held by the Minority Unitholders, as at Record Date, will be transferred to TPPL:
 - (a) fully paid;
 - (b) free from any charge, claim, hypothecation, lien, mortgage, power of sale, retention of title, or security interest of any kind over and in respect of such asset or real property, any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which any such asset or real property is subject or any right or option for the sale or purchase of any such asset or real property and any other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing; and
 - (c) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the Paragon Manager on or after the Joint Announcement Date, except for the 2H FY2024 Distribution,

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

such that on and from the date of the settlement of the Scheme Consideration, the Cuscaden Peak Group will hold 100% of the Units; and

- (2) in consideration for such transfer of the Units and subject to the Scheme becoming effective in accordance with its terms, TPPL agrees to pay or procure the payment of the Scheme Consideration for each Unit held by each Minority Unitholder as at the Record Date, in accordance with the terms and conditions of the Implementation Agreement.

For the avoidance of doubt:

- (i) the Scheme Consideration will not be reduced by the 2H FY2024 Distribution and the Minority Unitholders who are entitled to the 2H FY2024 Distribution shall have the right to receive and retain the 2H FY2024 Distribution in addition to the Scheme Consideration; and
- (ii) in the event any Excess Distribution is declared, made or paid by the Paragon Manager on or after the Joint Announcement Date, TPPL shall have the right to adjust the Scheme Consideration so as to reduce the amount of Scheme Consideration payable for each Unit by an amount equivalent to such Excess Distribution.

2.3 Effective Date

- 2.3.1** The Scheme will become effective upon the written notification to the MAS of the grant of the Scheme Court Order, which shall be effected by or on behalf of TPPL on a date to be mutually agreed in writing between TPPL and the Paragon Manager, being a date within 25 Business Days from the date on which the last of the Scheme Conditions set out in paragraphs (a) (*Unitholders’ Approvals*), (b) (*Regulatory Approvals*), (c) (*Tax Approvals*), (h) (*Authorisations and Consents*) and (i) (*Third Parties*) of Appendix G to this Scheme Document is satisfied (or, where applicable, waived) in accordance with the terms of the Implementation Agreement, and provided that the Scheme Conditions set out in paragraphs (d) (*No Legal or Regulatory Restraint*), (e) (*No Prescribed Occurrence*), (f) (*No Breach of Warranties*) and (g) (*No Paragon Material Adverse Effect*) of Appendix G to this Scheme Document are satisfied (or, where applicable, waived) on the Relevant Date, as the case may be, in accordance with the terms of the Implementation Agreement.

2.4 Delisting

- 2.4.1** Upon completion of the Scheme, PARAGON REIT will be wholly-owned by the Cuscaden Peak Group and will, subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

2.5 Scheme Conditions

- 2.5.1** The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the Scheme Conditions set out in the Implementation Agreement and reproduced in Appendix G to this Scheme Document.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

2.6 Scheme Document and Expected Indicative Timeline

2.6.1 Detailed information on the Scheme and the terms and conditions upon which the Scheme will be implemented by the Paragon Manager and TPPL are set out in paragraph 5 of the Letter to Unitholders in this Scheme Document.

2.6.2 An expected indicative timeline (which is subject to change) is also set out in the Expected Timetable in this Scheme Document.

2.7 Switch Option

2.7.1 Pursuant to the terms of the Implementation Agreement, in the event of a Competing Offer or an intention to make a Competing Offer is announced or reasonably expected to be announced (whether or not such Competing Offer is pre-conditional):

- (1) TPPL has the right at its discretion to elect at any time, subject to prior consultation with the SIC, to exercise the Switch Option and proceed, either on its own or together with any joint offeror(s), by way of an Offer (in lieu of proceeding with the Scheme);
- (2) in such event, TPPL will, either on its own or together with any joint offeror(s), make the Offer on the same or better terms as those which apply to the Scheme or the Competing Offer (whichever is higher), including the same or a higher consideration than the Scheme Consideration or the consideration payable to the Unitholders under the Competing Offer (whichever is the higher) for each Unit and conditional upon any acceptance condition to the Offer being set at a level to be determined with SIC’s consent prior to the exercise of the Switch Option; and
- (3) if TPPL exercises the Switch Option, the Implementation Agreement (save for certain surviving provisions such as those relating to confidentiality, costs and expenses, and governing law) shall terminate with effect from the date of announcement by or on behalf of TPPL (or TPPL and the other joint offeror(s)) of a firm intention to make the Offer, and none of the Parties shall have any claim against the others under the Implementation Agreement (except for any claim in respect of any antecedent breaches and/or the surviving provisions).

2.8 Termination of the Implementation Agreement

In the event of termination of the Implementation Agreement by any Party pursuant and subject to the terms of the Implementation Agreement, the Implementation Agreement shall cease to have any further force or effect and no Party shall have any further liability or obligation to the other Parties (save for the surviving provisions). The termination of the Implementation Agreement shall not prejudice the rights of either Party which have accrued or arisen prior to such termination. Please refer to paragraph 5.4 of the Letter to Unitholders in this Scheme Document for additional details on the termination rights under the Implementation Agreement.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

2.9 SIC Confirmations

Pursuant to the application made by TPPL to the SIC to seek SIC’s rulings and confirmations on certain matters in relation to the Scheme, the SIC has confirmed, *inter alia*, that:

2.9.1 the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code, subject to the following conditions:

- (1) TPPL and its concert parties, as well as the common substantial shareholders of TPPL and its concert parties on one hand, and PARAGON REIT on the other hand, abstain from voting on the Scheme;
- (2) the directors of the Paragon Manager who are also directors of TPPL or who are acting in concert with those persons in sub-paragraph (1) above abstain from making a recommendation on the Scheme to the Unitholders;
- (3) the Scheme Document contains advice to the effect that by voting for the Scheme, the Unitholders are agreeing to TPPL and its concert parties acquiring or consolidating effective control of PARAGON REIT without having to make a general offer for PARAGON REIT;
- (4) the Scheme Document discloses the names of TPPL and its concert parties, their current voting rights in PARAGON REIT as of the Latest Practicable Date and their voting rights in PARAGON REIT after the Scheme;
- (5) the Paragon Manager appointing an independent financial adviser to advise the Paragon Independent Directors on the Scheme;
- (6) the Scheme is approved by a majority in number representing three-fourths in value of the Unitholders present and voting either in person or by proxy at the Scheme Meeting;
- (7) the Paragon Manager obtains the approval of the Court for the Scheme under Order 32 of the Rules of Court (which is derived from, or deals with the same subject matter as, Order 80 of the revoked Rules of Court 2014 of Singapore); and
- (8) the Scheme being completed within 6 months (unless extended with SIC’s consent) from the date of the Implementation Agreement;

2.9.2 it has no objections to the Scheme Conditions. However, where the Scheme Conditions have been qualified as to materiality but have not been quantified, the test for materiality will be subject to a high standard. To satisfy such test, TPPL and/or the Paragon Manager would have to demonstrate that the relevant circumstances are of very considerable significance striking at the heart of the purpose of the Scheme; and

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

2.9.3 with respect to the Switch Option:

- (1) SIC has no objections to TPPL reserving its right to exercise the Switch Option, subject to:
 - (a) disclosure in the Joint Announcement and the Scheme Document of the fact that TPPL reserves the right to exercise the Switch Option in the event of a Competing Offer or in the event that an intention to make a Competing Offer is announced;
 - (b) the Offer being on the same or better terms as those which apply to the Scheme, including the same or higher consideration than the Scheme Consideration;
 - (c) the acceptance condition to the Offer being set at a level to be determined with SIC’s consent prior to the exercise of the Switch Option; and
 - (d) consultation with SIC beforehand to determine the offer timetable that should apply to the Offer following the exercise of the Switch Option; and
- (2) the Scheme Conditions, to the extent applicable in the event of the Offer, may similarly be imposed as conditions to the Offer becoming unconditional in all respects, subject to TPPL consulting with SIC and seeking SIC’s approval prior to invoking such Scheme Condition so as to cause the Offer to lapse.

2.10 Effect of Scheme

In the event the Scheme becomes effective, it will be binding on all Minority Unitholders whether or not they were present in person or by proxy or voted to approve the Scheme at the Scheme Meeting. By voting for the Scheme, the Unitholders are agreeing to TPPL and any other person acting or deemed to be acting in concert with TPPL in connection with the Scheme (each, a “**Offeror Concert Party**” and collectively, the “**Offeror Concert Party Group**”) acquiring or consolidating effective control of PARAGON REIT without having to make a general offer for PARAGON REIT.

2.11 Exclusivity

2.11.1 During the Exclusivity Period:

- (1) the Paragon Trustee and the Paragon Manager shall not, and shall procure that none of their Affiliates or their respective Representatives or advisers shall:
 - (a) directly or indirectly solicit, invite, encourage or initiate any enquiries, negotiations or discussions, or initiate any communication to procure proposals, communicate any intention to any of the foregoing, with a view to obtaining, or to the extent reasonably likely to result in or lead to, any Competing Offer;

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

- (b) negotiate or enter into, participate in negotiations or discussions with any Person in relation to, any Competing Offer or any agreement, understanding or arrangement which would or is reasonably likely to result in or lead to a Competing Offer;
 - (c) save to the extent required under applicable laws (including, for the avoidance of doubt, the Code), enable any Person (other than TPPL and its Representatives and advisers) to undertake due diligence on the Paragon Group, any Paragon Group Entity or their businesses or operations, or make available to any Person (other than TPPL and its Representatives and advisers), or permit such Person, to receive any non-public information relating to the Paragon Group, any Paragon Group Entity or their businesses or operations, in connection with the formulation, development or finalisation of an actual, proposed or potential Competing Offer (including by way of providing information and access to perform due diligence on the Paragon Group, any Paragon Group Entity or their businesses or operations); and
- (2) the Paragon Trustee and the Paragon Manager shall promptly notify TPPL if any of it, or its respective Affiliates, Representatives or advisers become aware of:
- (a) any Competing Offer received by it, or its respective Affiliates, Representatives or advisers during the Exclusivity Period; or
 - (b) the provision by it, or its respective Affiliates, Representatives or advisers of any non-public information relating to the Paragon Group, any Paragon Group Entity or their businesses or operations to any Person during the Exclusivity Period, in connection with any Competing Offer,

save that the foregoing shall not apply to the extent that they restrict the Paragon Trustee or the Paragon Manager from taking or refusing to take any action with respect to a Competing Offer (which was not solicited, invited, encouraged or initiated by the Paragon Trustee, the Paragon Manager, or their respective Affiliates, Representatives or advisers, in contravention of Paragraph 5.6(a)(i) of the Letter to Unitholders in this Scheme Document), to the extent that the Paragon Directors have considered and are of the reasonable opinion in good faith, that failure to take such action would or is reasonably likely to be inconsistent or in conflict with the discharge of their fiduciary duties and/or the Paragon Independent Directors’, the Paragon Trustee’s and/or the Paragon Manager’s legal, regulatory or statutory obligations (including obligations under the Code).

For the avoidance of doubt, nothing in this paragraph 2.11 shall prevent the Paragon Trustee or the Paragon Manager from:

- (A) continuing to make normal presentations to, and responding to enquiries from, brokers, portfolio investors, analysts and the Unitholders, in the ordinary course of business in relation to the Scheme or its business generally; or
- (B) fulfilling its continuing disclosure obligations in compliance with the Listing Manual.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

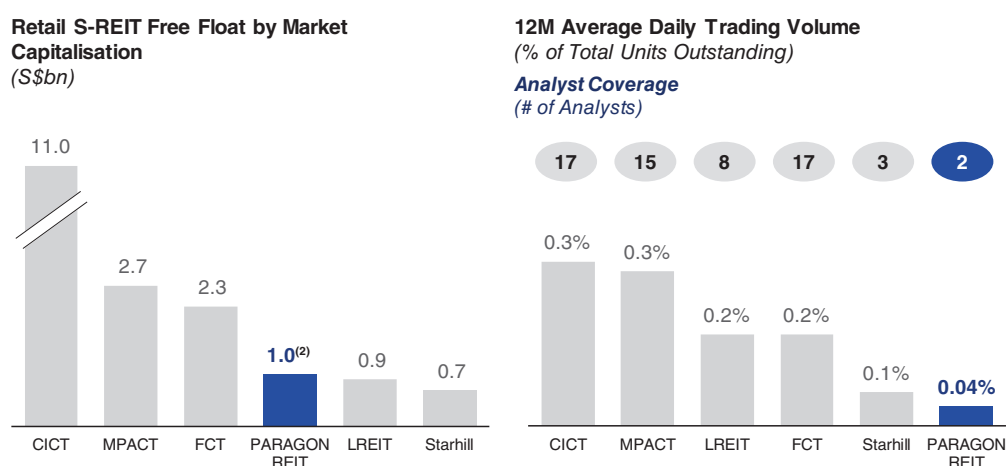
2.11.2 The Paragon Trustee and the Paragon Manager shall not enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which any Person (other than TPPL and its Representatives) proposes to undertake or give effect to any Competing Offer unless, inter alia, the Paragon Trustee and the Paragon Manager have given TPPL 10 Business Days after the date of the provision of information on the Competing Offer to TPPL in accordance with the terms of the Implementation Agreement (or such other time period as determined by the SIC) to provide, either on its own or together with any joint offeror(s), a matching or superior proposal to the terms of the Competing Offer, taken as a whole (including the same or higher consideration than the consideration payable to the Unitholders under the Competing Offer).

3. RATIONALE FOR THE SCHEME AND OFFEROR’S FUTURE INTENTIONS FOR PARAGON REIT

The figures, prices and charts as set out in this paragraph 3 are with reference to the relevant periods up to and including 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date.

3.1 PARAGON REIT faces trading conditions that constrain its potential for sustained growth

3.1.1 PARAGON REIT has one of the lowest free floats among its Retail S-REIT Peers and has historically experienced low trading liquidity, with an average of 0.04% of Units outstanding (approximately S\$1.0 million) traded per day over the last 12 months.¹ Despite its inclusion in the FTSE EPRA Nareit Developed Index on 20 September 2021, PARAGON REIT has the lowest analyst research coverage among peers and has attracted limited institutional investor flow compared to its Retail S-REIT Peers.



Source: Company Filings, FactSet as at 10 February 2025

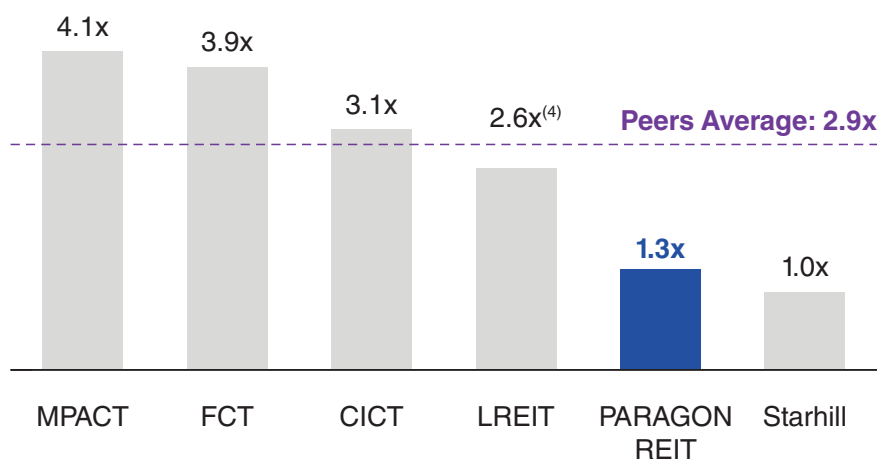
¹ For the period between 10 February 2024 and 10 February 2025.

² PARAGON REIT’s free float excludes Units held by Cuscaden Peak and its subsidiaries and is computed based on the free float Units of 1,093 million multiplied by the closing price of the Units on 10 February 2025 of S\$0.890.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

- 3.1.2** These trading conditions may put PARAGON REIT at a disadvantage when looking to access capital markets compared to its Retail S-REIT Peers, and consequently may restrict its ability to expand its portfolio. Since its IPO in July 2013, PARAGON REIT’s total assets have grown 1.3x, which, in comparison, is less than the 2.9x average of its Retail S-REIT Peers.

Retail S-REITs – Total Portfolio Growth Since 2013⁽³⁾



Source: Company Filings, FactSet as at 10 February 2025

- 3.1.3** For the reasons above, the Offeror believes that despite its listed status, PARAGON REIT faces trading conditions that will continue to constrain its potential for sustained growth and long-term value creation.
- 3.2 PARAGON REIT’s portfolio comprises three (3) assets, with Paragon accounting for 72% of value. However, Paragon’s premier upscale status is being challenged with increased competition from (i) upcoming new retail malls in the surrounding catchment and (ii) existing competing malls undergoing major upgrades**
- 3.2.1** PARAGON REIT’s portfolio is concentrated, with Paragon representing approximately 72% of PARAGON REIT’s total appraised value for FY2024.⁵ Therefore, PARAGON REIT’s value is dependent on the performance of Paragon.
- 3.2.2** While Paragon continues to be one of the leading upscale retail malls in Singapore, the mall is over 30 years old and is facing increasing competition from the surrounding catchment.

3 Based on latest total assets disclosed as at 10 February 2025, being the last full trading day immediately prior to the Joint Announcement Date, since PARAGON REIT’s IPO in July 2013.

4 For the period between 31 July 2019 and 10 February 2025.

5 The Clementi Mall represents approximately 16% of PARAGON REIT’s FY2024 total appraised value and PARAGON REIT’s 50% stake in Westfield Marion Shopping Centre represents approximately 12% of PARAGON REIT’s FY2024 total appraised value.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

3.2.3 Competing retail assets of a similar vintage in central Singapore have undergone major upgrades in recent times. Redevelopments in the nearby Tanglin area, such as Ming Arcade, Tanglin Shopping Centre, Forum The Shopping Mall, voco Orchard Singapore, and HPL House, are also expected to significantly ramp up competition in Orchard Road in the coming years once completed. In contrast, Paragon’s last major upgrade was over 15 years ago in 2009, involving an approximately S\$82 million investment to mainly refresh Paragon’s façade and expand retail space.

3.2.4 In addition to the increasing competitive pressures, the luxury retail environment may remain challenging in the near to medium term. International luxury spending is currently only at 74% of its 2019 peak.⁶ A persistent slowdown in luxury spending recovery would put further pressure on Paragon’s performance – for FY2024, tenant sales declined approximately 5.5% year-on-year to S\$654 million (versus S\$692 million in the financial year ended 31 December 2023), indicating early signs of pressure.

3.3 To future-proof Paragon’s competitive positioning, the Offeror seeks to rejuvenate Paragon through a Potential AEI

3.3.1 Having considered the above factors, the Offeror believes that a major Potential AEI for Paragon is necessary to maintain its long-term competitiveness as a leading upscale retail mall in Singapore.

3.3.2 The Offeror, as a significant Unitholder, intends to collaborate closely with PARAGON REIT to facilitate the implementation of such a Potential AEI, which it believes will also be for the benefit of tenants and shoppers.

3.3.3 The Offeror envisions that a Potential AEI could include significant upgrades to the exterior and interior of Paragon, and the potential scope of work could include:

- (1) upgrades to façade and interiors;
- (2) reconfiguration and optimisation of retail and circulation spaces;
- (3) improved connectivity and accessibility;
- (4) upgrades and replacement of Mechanical & Electrical (M&E) services and equipment; and
- (5) other works that may be beneficial to improving and maintaining the long-term competitiveness of Paragon.

3.3.4 The Offeror does not intend to redevelop or change the underlying use of Paragon. A Potential AEI would also not increase the GFA as the existing plot ratio has been fully utilised based on current permits and regulations.

3.3.5 Notwithstanding the above, Unitholders should note that concepts relating to a Potential AEI remain preliminary and will require, among other things, further feasibility assessments, an in-depth study of execution plausibility and timeline as well as regulatory approvals.

⁶ Source: Intercontinental Group of Department Stores (May 2024).

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

3.4 Given the execution risks associated with a significant Potential AEI, including uncertainties around cost and timing, a Potential AEI would be more suitably carried out in a private setting

3.4.1 The Offeror envisions that future-proofing Paragon through a Potential AEI could require a sizeable capital investment and potentially take three (3) to four (4) years⁷ to complete, with the potential for completion to be extended subject to approvals required and delays in the construction project schedule. This capital investment would be in addition to potential business-as-usual capital expenditures that the Offeror believes will be required in the next few years for routine upgrades, end-of-life replacements, and compliance with the latest building codes.

3.4.2 Illustratively, based on precedent AEIs capital expenditure per square foot (psf)⁸ for retail and office properties in Singapore of approximately S\$330 – S\$590 psf, the Offeror believes a potential total capital expenditure for Paragon’s GFA could be approximately S\$300 million – S\$600 million (representing approximately 10% – 21% of Paragon’s appraised value for FY2024).

3.4.3 A Potential AEI carries significant execution risks that are inherent to such large-scale construction projects, including but not limited to ongoing business disruptions arising from the construction, uncertainties around cost and timing, and potential changes in market conditions that may impact leasing demand and/or rental rates. To minimise business disruptions, the Offeror believes a Potential AEI should be implemented in phases without a complete closure of Paragon.

3.4.4 Given that a Potential AEI is subject to further in-depth feasibility assessments, there is significant uncertainty as to the parameters for, and the impact of, such Potential AEI on PARAGON REIT. For illustrative and hypothetical purposes only, the Offeror has set out a sensitivity analysis in **Part 1 of Schedule 1** for the impact of variations in capital expenditure for a Potential AEI and fluctuations to the Paragon NPI on the Adjusted DPU, Adjusted DPU Yield and Adjusted Aggregate Leverage of PARAGON REIT for FY2024.⁹

3.4.5 As an illustration (as prepared by the Offeror):

- (1) assuming (A) a Potential AEI capital expenditure of S\$300 million is fully funded by debt and fully drawn down in FY2024 at an all-in finance cost of 4.4%,¹⁰ and (B) a fluctuation in the Paragon NPI for FY2024 of between 10% – 40%, which would collectively result in a decrease in net property income and an increase in interest expenses and consequentially reduce distributable income and DPU, PARAGON REIT’s DPU and DPU Yield would

7 In line with precedent office/retail S-REIT asset enhancement initiatives.

8 The range for capital expenditure per square foot of gross floor area has been derived based on office and retail asset enhancement initiative precedents, adjusted for capital expenditure inflation from the year of each asset enhancement initiative to 2026 using the BCA Tender Price Index.

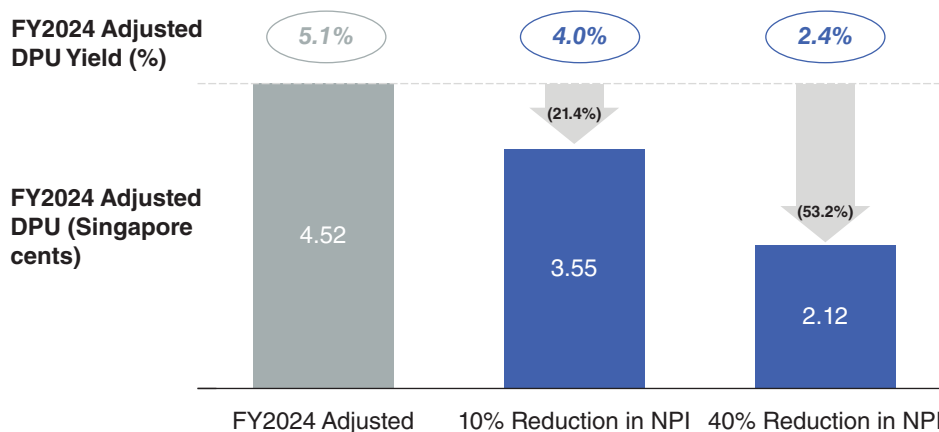
9 Adjusted DPU, Adjusted DPU Yield and Adjusted Aggregate Leverage based on excluding the impact of divestments undertaken or announced by PARAGON REIT in 2024. Please refer to **Schedule 1**.

10 Based on PARAGON REIT’s average cost of debt in FY2024.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

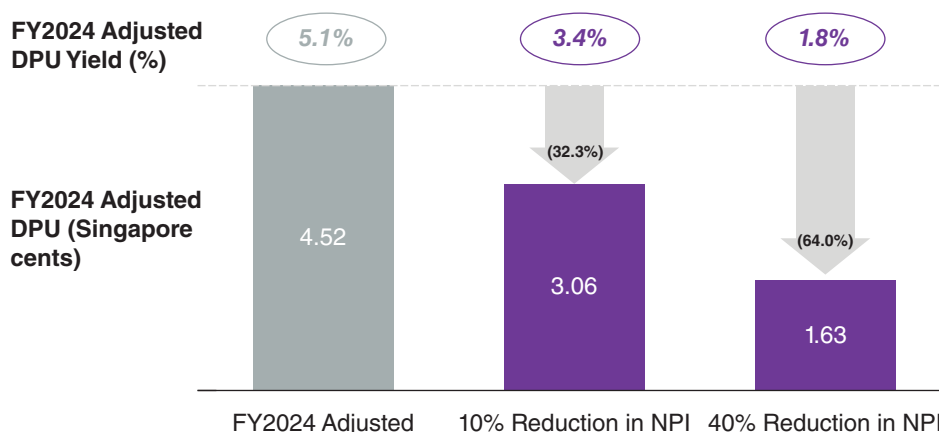
have ranged between 2.12 – 3.55 Singapore cents and 2.4% – 4.0% respectively, representing a decrease of between 21.4% – 53.2% to the FY2024 Adjusted DPU;

Illustrative Impact of Potential AEI on FY2024 Adjusted DPU (Singapore cents)



- (2) assuming (A) a Potential AEI capital expenditure of S\$600 million is fully funded by debt and fully drawn down in FY2024 at an all-in finance cost of 4.4%¹¹ and (B) a fluctuation in the Paragon NPI for FY2024 of between 10 – 40%, which would collectively result in a decrease in net property income and an increase in interest expenses and consequentially reduce distributable income and DPU, PARAGON REIT’s DPU and DPU Yield would have ranged between 1.63 – 3.06 Singapore cents and 1.8% – 3.4% respectively, representing a decrease of between 32.3% and 64.0% to the FY2024 Adjusted DPU; and

Illustrative Impact of Potential AEI on FY2024 Adjusted DPU (Singapore cents)



¹¹ Based on PARAGON REIT’s average cost of debt in FY2024.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

- (3) assuming a Potential AEI capital expenditure of S\$300 million – S\$600 million which is fully debt-funded and fully drawn down in FY2024, FY2024 Adjusted Aggregate Leverage¹² would have increased from 34.2% to 38.5% – 42.4% (versus Retail S-REIT Peers average of 38.6%).

3.4.6 The Offeror believes that PARAGON REIT’s other assets, The Clementi Mall and Westfield Marion Shopping Centre,¹³ would not be able to offset the potential impact on the DPU and DPU Yield given their relative size (approximately 28% of PARAGON REIT’s FY2024 total appraised value) as compared to Paragon (approximately 72% of PARAGON REIT’s FY2024 total appraised value).

3.4.7 Taking into consideration the uncertainties inherent in a Potential AEI, the Offeror believes a major Potential AEI would be more suitably carried out in a private setting. If the Scheme is successful and a major Potential AEI is carried out, Unitholders will not need to bear the volatility and execution risks associated with such an initiative.

3.5 The Scheme offers an opportunity for Unitholders to fully monetise their investment in cash at an attractive Scheme Consideration

3.5.1 The Offeror believes that the privatisation will provide Unitholders with the opportunity to realise their investment at an attractive value and receive 100% of the value of their Units in cash, without exposure to future market risk and Unit price movements.

3.5.2 The Offeror and the board of the Paragon Manager believe that the Scheme Consideration of S\$0.9800 is attractive for Unitholders, based on the various metrics as outlined below:

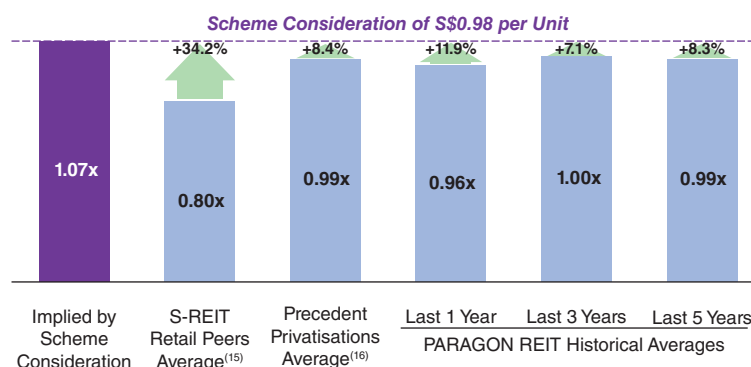
- (1) the Scheme Consideration represents a 7.1% premium to the Paragon Adjusted NAV and an implied Price/Paragon Adjusted NAV of 1.07x; which represents an 8.4% premium to average Price/Precedent Privatisations Adjusted NAV of 0.99x;
- (2) the implied Price/Paragon Adjusted NAV of 1.07x represents a premium of 34.2% to the average Price/Peer Adjusted NAV of 0.80x;
- (3) the implied Price/Paragon Adjusted NAV of 1.07x represents a premium of 11.9%, 7.1% and 8.3% to the historical one (1)-year, three (3)-year, and five (5)-year Average Price/Paragon Adjusted NAV, respectively;

¹² PARAGON REIT’s FY2024 Aggregate Leverage of 35.3% has been adjusted to 34.2% (“**FY2024 Adjusted Aggregate Leverage**”). Refer to **Part 2 of Schedule 1** for detailed adjustments.

¹³ PARAGON REIT has a 50% interest in Westfield Marion Shopping Centre.

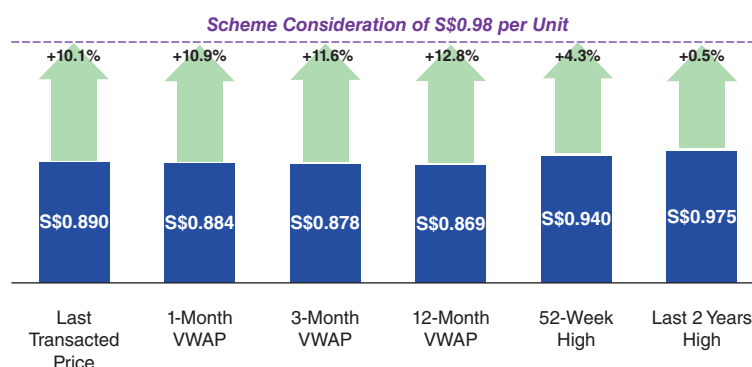
APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

Price/Paragon Adjusted NAV⁽¹⁴⁾



Source: FactSet, Bloomberg, Company Filings as at 10 February 2025

- (4) the Scheme Consideration represents a 10.1%, 10.9%, 11.6% and 12.8% premium to the Last Transacted Price and the one (1)-month, three (3)-month and 12-month volume weighted adjusted price, respectively;



Source: FactSet, Bloomberg, Company Filings as at 10 February 2025

- (5) the Scheme Consideration exceeds the highest ever traded price over the last two (2) years;¹⁷
- (6) the Scheme Consideration represents a premium of 4.3% to the 52-week high traded price of Units;¹⁸ and
- (7) the premium of 9.0 Singapore cents per Unit to the Last Transacted Price represents approximately two (2) years of distributions.¹⁹

14 Based on PARAGON REIT’s FY2024 NAV of S\$0.9385 per Unit, adjusted for the 2H FY2024 Distribution of S\$0.0233 per Unit.

15 Peers include CICT, MPACT, FCT, LREIT and Starhill.

16 Based on precedent privatisations of property trusts and REIT mergers with an all-cash option as consideration.

17 In respect of the two (2)-year period ending on 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date.

18 In respect of the 52-week period ending on 10 February 2025, being the full trading day immediately prior to the Joint Announcement Date.

19 Based on the last-12-months’ (from 10 February 2025) declared distributions of 4.65 Singapore cents per Unit, excluding special dividends that are capital distributions in nature.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

3.5.3 The Scheme offers an opportunity for Unitholders to realise their investment in cash with no trading cost and the ability to immediately redeploy the proceeds into other investment opportunities.

3.6 If the Scheme is not approved, the Offeror intends to actively engage with PARAGON REIT to consider implementing a Potential AEI

3.6.1 The proposed Scheme will be submitted to the vote of the Minority Unitholders. The Offeror and its concert party group will abstain from voting.

3.6.2 In the event that the Scheme is not approved by Unitholders, the Offeror intends to continue to engage with PARAGON REIT to consider an appropriate plan, as it believes that a Potential AEI is critical for Paragon to remain competitive. Further engagement between the Offeror and PARAGON REIT would be required at the prevailing time.

3.7 Offeror’s Future Intentions for PARAGON REIT

Save as disclosed in this Scheme Document (including this Offeror’s Letter), there is presently no intention by the Offeror to (i) introduce any major changes to the business of PARAGON REIT, (ii) re-deploy the fixed assets of PARAGON REIT, or (iii) discontinue the employment of the employees of PARAGON REIT (if any), save in the ordinary course of business.

In the event the Scheme becomes effective, the Offeror intends to conduct a strategic review of the portfolio of the Paragon Group and retains and reserves the right and flexibility at any time after the completion of the Scheme to consider any options in relation to the Paragon Group or any of its assets which may present themselves and which it may regard to be in the interest of the Paragon Group.

4. INFORMATION ON TPPL AND CPI

4.1 TPPL. TPPL is a company incorporated in Singapore. TPPL is a wholly-owned subsidiary of CPI, the sponsor of PARAGON REIT. CPI is in turn a wholly-owned subsidiary of CP. The shareholders of CP are Adenium Pte. Ltd. (“**APL**”, a wholly-owned subsidiary of CLA Real Estate Holdings Pte. Ltd. (“**CLA**”)) and Mapletree Fortress Pte. Ltd. (“**MFPL**”, an indirect wholly-owned subsidiary of Mapletree Investments Pte Ltd (“**Mapletree**”)), each holding 50% of the ordinary shares of CP. The principal activities of TPPL include investment holding, letting properties and the provision of property management services. TPPL is the direct holding company of the Paragon Manager.

4.2 TPPL Directors. As at the Latest Practicable Date, the directors of TPPL are:

4.2.1 Yong Choon Miao, Gerald; and

4.2.2 Chin Yean Cheng.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

4.3 Additional information relating to TPPL and CPI is set out in **Schedule 3** of this Offeror’s Letter.

5. DISCLOSURE OF INTERESTS

5.1 TPPL.

5.1.1 **Holdings.** Save as disclosed in this Offeror’s Letter, as at the Latest Practicable Date, based on the latest information available to TPPL, none of the Offeror Concert Party Group owns, controls or has agreed to acquire any Paragon Securities.

5.1.2 **Dealings.** Save as disclosed in this Offeror’s Letter, none of the Offeror Concert Party Group has dealt in any Paragon Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date (the “**Reference Period**”).

5.1.3 **PUA Awards.** As at the Latest Practicable Date, there are 1,615,643 outstanding awards granted under Paragon Manager’s Performance Unit Award scheme (the “**PUA Scheme**”), pursuant to which a maximum of 2,423,465 Units may be granted to eligible employees of the Paragon Manager and the property manager, Straits Retail Property Management Services Pte. Ltd. (subject to final achievement factor and fulfilment of the terms and conditions set out in the PUA Scheme). All Units to be granted pursuant to the PUA Scheme are transferred from the Paragon Manager’s own holdings of Units. The Paragon Manager has on 3 March 2025 transferred 251,880 Units to such employees to satisfy the grants which have vested as at 31 August 2024.²⁰ Subject to the Scheme becoming effective, it is expected that the remaining awards will either lapse or be encashed in accordance with the terms of the PUA Scheme.

5.1.4 **Other Arrangements.** As at the Latest Practicable Date and save as otherwise disclosed in this Offeror’s Letter, based on the latest information available to TPPL, none of the Offeror Concert Parties has:

- (1) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of TPPL or the Units which might be material to the Scheme;
- (2) granted a security interest over any Paragon Securities to another person, whether through a charge, pledge or otherwise;
- (3) borrowed from another person any Paragon Securities (excluding borrowed securities which have been on-lent or on-sold); or
- (4) lent to another person any Paragon Securities.

²⁰ The SIC has confirmed in its ruling dated 5 February 2025 that such a transfer will not constitute a breach of Rule 11.2 of the Code.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

5.1.5 Irrevocable Undertaking. As at the Latest Practicable Date, based on the latest information available to TPPL, none of the Offeror Concert Parties has received any irrevocable commitment or undertakings from any party to vote and/or procure the voting of his/her/its Units to approve the Scheme and any other matter necessary or proposed to implement the Scheme.

6. NO SPECIAL ARRANGEMENTS

6.1 No Agreement having any Connection with or Dependence upon the Scheme. As at the Latest Practicable Date, save as disclosed in this Scheme Document (including this Offeror’s Letter), there is no agreement, arrangement or understanding between (i) the Offeror Concert Party Group and (ii) any of the current or recent directors the Paragon Manager or any of the current or recent Unitholders or any other person that has any connection with, or is dependent on or is conditional upon, the Scheme or its outcome.

6.2 Transfer of Units. As at the Latest Practicable Date, save as disclosed in this Scheme Document (including this Offeror’s Letter), there is no agreement, arrangement or understanding whereby any of the Units acquired by the Offeror pursuant to the Scheme will be transferred to any other person. The Offeror, however, reserves the right to transfer any Units to any member of the Offeror Concert Party Group or for the purposes of granting security in favour of financial institutions which have extended or shall grant credit facilities to it or any member of the Offeror Concert Party Group.

6.3 No Payment or Benefit to Directors of Paragon Manager. As at the Latest Practicable Date, save as disclosed in this Scheme Document (including this Offeror’s Letter), there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Paragon Manager or any of its related corporations (within the meaning of Section 6 of the Companies Act) as compensation for loss of office or otherwise in connection with the Scheme.

7. DELISTING

Upon the Scheme becoming effective and binding in accordance with its terms, all the Units of PARAGON REIT will become wholly-owned by the Cuscaden Peak Group, and consequently will not be able to meet the listing requirements of the SGX-ST. An application will be made to seek approval from the SGX-ST to delist and remove PARAGON REIT from the Official List of the SGX-ST in due course. The delisting will be conditional upon the receipt of a confirmation from the SGX-ST that it has no objections to the delisting of PARAGON REIT, subject to, *inter alia*, the Scheme becoming effective in accordance with its terms.

8. INFORMATION RELATING TO PARAGON REIT

8.1 Equity Capital

As at the Latest Practicable Date, PARAGON REIT has one class of securities, being the Units.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

8.2 Material Changes in the Financial Position of Paragon REIT

As at the Latest Practicable Date, save as disclosed in this Scheme Document (including this Offeror’s Letter), any other information on PARAGON REIT which is publicly available (including, without limitation, the announcements released by PARAGON REIT on the SGXNET), and the costs and expenses incurred or to be incurred in connection with the Scheme, there has not been, to the knowledge of the Offeror, any material changes to the financial position or prospects of PARAGON REIT since 31 December 2024, being the date of the last published audited consolidated financial statements of PARAGON REIT.

8.3 Transfer Restrictions

Subject to and upon the amendment of the Paragon Trust Deed in the manner set out in the Appendix D of this Scheme Document, the Paragon Trust Deed does not contain any restrictions on the right to transfer the Units in connection with the Scheme.

8.4 Additional Information

Additional information relating to Paragon REIT is set out in Appendix C of this Scheme Document.

9. OVERSEAS UNITHOLDERS

9.1 Overseas Unitholders

The applicability of the Scheme to Overseas Unitholders, whose addresses are outside Singapore, as shown on the Register of Unitholders, or as the case may be, in the records of CDP, may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Unitholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Overseas Unitholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.

9.2 Copies of Scheme Document

Where there are potential restrictions on sending this Scheme Document to any overseas jurisdiction, TPPL and the Paragon Manager reserve the right not to send such documents to the Unitholders in such overseas jurisdiction.

Minority Unitholders (including Overseas Unitholders) may obtain copies of the Scheme Document, the Notices and Proxy Forms. Please refer to paragraph 23.2 of the Letter to Unitholders in this Scheme Document for more information.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

It is the responsibility of any Overseas Unitholder who wishes to request for this Scheme Document and any related documents or participate in the Scheme to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for this Scheme Document and any related documents or participating in the Scheme, the Overseas Unitholder represents and warrants to the Paragon Manager that he/she/it is in full observance of the laws of the relevant jurisdiction in that connection, and that he/she/it is in full compliance with all necessary formalities or legal requirements.

For the avoidance of doubt, the Scheme is being proposed to all Unitholders (including Overseas Unitholders), including those to whom this Scheme Document will not be, or may not be, sent, provided that this Scheme Document does not constitute an offer to, or a solicitation of, any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

9.3 Notice

TPPL and the Paragon Manager each reserves the right to notify any matter, including the fact that the Scheme has been proposed, to any or all Unitholders (including Overseas Unitholders) by announcement via SGXNet or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Unitholder (including any Overseas Unitholder) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as PARAGON REIT remains listed on the SGX-ST, the Paragon Manager will continue to notify all Unitholders (including Overseas Unitholders) of any matter relating to the Scheme by announcement via SGXNet.

Notwithstanding that such Overseas Unitholder may not receive the notice of the EGM or the notice of the Scheme Meeting, they shall be bound by the Scheme if the Scheme becomes effective in accordance with its terms.

10. SETTLEMENT

Paragraph 22 of the Letter to Unitholders in this Scheme Document sets out details of the procedures for the implementation of the Scheme and the settlement procedures.

11. GENERAL INFORMATION

Schedule 4 of this Offeror’s Letter sets out certain additional general information relating to the Scheme.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

12. ABSTENTION FROM VOTING

12.1 Abstention from Voting on the Paragon Trust Deed Amendments Resolution

12.1.1 Each of the Paragon Manager, TPPL and any associate (as defined under the Listing Manual) thereof (including, for the avoidance of doubt, CP and CPI) will abstain from voting on the Paragon Trust Deed Amendments Resolution.

12.2 Abstention from Voting on the Paragon Scheme Resolution

12.2.1 In accordance with the SIC’s rulings as set out in paragraph 2.9.1(1) above, the Offeror Concert Party Group (including the Cuscaden Peak Group and the other persons specified in Schedule 2 of this Offeror’s Letter) will abstain from voting on the Paragon Scheme Resolution.

12.2.2 In addition, the Paragon Manager will abstain from voting on the Paragon Scheme Resolution pursuant to Rule 748(5) of the Listing Manual.

12.3 **Proxy Appointment.** Accordingly, each of the parties named above shall decline to accept appointment as proxy to attend and vote at the EGM and Scheme Meeting respectively.

12.4 **Abstention from Recommendation.** The SIC has ruled that the Relevant Directors are exempted from making or assuming responsibility for any recommendation on the Scheme that the Paragon Independent Directors may make to Unitholders, in accordance with the terms of the exemption granted by the SIC for the reasons set out below:

12.4.1 Mr. Yong Choon Miao, Gerald is the Chief Executive Officer and director of CPI and CP, and a director of TPPL. He is also one of the non-independent directors nominated to the board of the Paragon Manager by CPI;

12.4.2 Ms. Lim May Ling Ginney is a director of various entities in the Cuscaden Peak Group and is also one of the non-independent directors nominated to the board of the Paragon Manager by CPI;

12.4.3 Mr. Eugene Paul Lai Chin Look and Ms. Chua Kheng Yeng, Jennie hold non-executive directorships on certain entities which are presumed to be acting in concert with the Offeror. As a matter of prudence and to avoid placing them in a position of perceived conflict, they will abstain from making a recommendation on the Scheme; and

12.4.4 Ms. Hoo Sheau Farn is a partner in the Corporate Real Estate department of Allen & Gledhill LLP. Allen & Gledhill LLP are the legal advisers to the Offeror in connection with the Scheme. While Ms. Hoo Sheau Farn is not herself involved in advising the Offeror in relation to the Scheme, as a matter of prudence and to avoid any perception of conflict given Allen & Gledhill LLP’s role as adviser to the Offeror, she will abstain from making a recommendation on the Scheme.

Each of the Relevant Directors must, however, still assume responsibility for the accuracy of facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Paragon Manager in connection with the Scheme.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

13. FINANCIAL ADVISER AND CONFIRMATION OF FINANCIAL RESOURCES

Citigroup Global Markets Singapore Pte. Ltd. (“Citi”) is the financial adviser to TPPL in respect of the Scheme.

Citi confirms that sufficient financial resources are available to TPPL to satisfy in full the aggregate Scheme Consideration payable by TPPL for all the Units to be acquired by TPPL pursuant to the Scheme.

14. RESPONSIBILITY STATEMENT

The directors of TPPL (including those who may have delegated detailed supervision of this Offeror’s Letter) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Offeror’s Letter are fair and accurate and that there are no other material facts not contained in this Offeror’s Letter, the omission of which would make any statement in this Offeror’s Letter misleading. Subject to the paragraph below, the directors of TPPL jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including PARAGON REIT, the Paragon Manager, the Paragon Independent Directors, the Paragon IFA or the Valuers), the sole responsibility of the directors of TPPL has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offeror’s Letter. The directors of TPPL do not accept any responsibility for any information relating to PARAGON REIT and/or the Paragon Manager or any opinion expressed by PARAGON REIT, the Paragon Manager, the Paragon Independent Directors, the Paragon IFA and/or the Valuers.

Yours faithfully

For and on behalf of the Board of Directors of
TIMES PROPERTIES PRIVATE LIMITED

Gerald Yong
Director

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

Schedule 1

SENSITIVITY ANALYSIS AND ADJUSTMENTS

PART 1 – SENSITIVITY ANALYSIS

Unitholders should note that the Potential AEI remains preliminary and subject to further in-depth feasibility assessments. Accordingly, there remains significant uncertainty as to the parameters of, and the impact of the Potential AEI on PARAGON REIT if or when carried out. Therefore, the figures and analysis prepared by the Offeror below are purely hypothetical and provided for illustrative purposes only.

It should be noted that the analyses performed in this Schedule do not in any way constitute any form of profit guidance or forecast or forward statement by the Offeror on the financial position of PARAGON REIT (including, but not limited to, the DPU or DPU Yield). These analyses are for ILLUSTRATIVE PURPOSES ONLY.

(i) Illustrative Financial Impact of Capital Expenditure and Reduction in Paragon NPI in relation to a Potential AEI

Table A: Illustrative Impact on FY2024 Adjusted Distribution (S\$ million), FY2024 Adjusted DPU (Singapore cents) and DPU Dilution (%)

Table A below illustrates the impact on the Adjusted Distribution, Adjusted DPU and Adjusted DPU Yield²¹ of PARAGON REIT, assuming (a) a Potential AEI incurs capital expenditure of between S\$300 million to S\$600 million that is fully funded by debt with an all-in finance cost of 4.4%²² and (b) a fluctuation in Paragon NPI for FY2024 of 10% to 40%, which would collectively result in a decrease in net property income, an increase in interest expenses and consequentially reduce distributable income and DPU.

Illustrative Impact on FY2024 Adjusted Distribution (S\$ million)

		Reduction in NPI			
		(10.0%)	(20.0%)	(30.0%)	(40.0%)
Capital Expenditure (S\$ million)	300	100.8	87.2	73.7	60.1
	400	96.2	82.6	69.0	55.5
	500	91.5	77.9	64.4	50.8
	600	86.9	73.3	59.7	46.2

Illustrative Impact on FY2024 Adjusted DPU (Singapore cents)

		Reduction in NPI			
		(10.0%)	(20.0%)	(30.0%)	(40.0%)
Capital Expenditure (S\$ million)	300	3.55	3.07	2.60	2.12
	400	3.39	2.91	2.43	1.95
	500	3.22	2.75	2.27	1.79
	600	3.06	2.58	2.10	1.63

Illustrative Impact on FY2024 Adjusted DPU Dilution (%)

		Reduction in NPI			
		(10.0%)	(20.0%)	(30.0%)	(40.0%)
Capital Expenditure (S\$ million)	300	(21.4%)	(32.0%)	(42.6%)	(53.2%)
	400	(25.1%)	(35.6%)	(46.2%)	(56.8%)
	500	(28.7%)	(39.3%)	(49.8%)	(60.4%)
	600	(32.3%)	(42.9%)	(53.5%)	(64.0%)

21 Please refer to **Part 2 of Schedule 1** for the adjustments relating to Adjusted Distribution, Adjusted DPU, Adjusted DPU Yield and Adjusted Aggregate Leverage.

22 Based on PARAGON REIT’s average cost of debt in FY2024.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

- Based on the illustrative figures in Table A, the *pro forma* FY2024 Adjusted Distribution would have decreased to S\$46.2 – 100.8 million which would have resulted in the FY2024 Adjusted DPU decreasing to 1.63 – 3.55²³ Singapore cents (versus the FY2024 Adjusted DPU of 4.52 Singapore cents), translating to up to 64.0% DPU dilution.

Table B: Illustrative Impact on FY2024 Adjusted DPU Yield (%)

Table B below illustrates the impact on Adjusted DPU Yield assuming (a) a Potential AEI incurs capital expenditure of between S\$300 million to S\$600 million that is fully funded by debt with an all-in finance cost of 4.4%²⁴ and (b) a fluctuation in Paragon NPI for FY2024 of 10% to 40% which would collectively result in a decrease in net property income and an increase in interest expenses and consequentially reduce distributable income and DPU.

Illustrative Impact on FY2024 Adjusted DPU Yield (%)

		Reduction in Paragon NPI			
		(10.0%)	(20.0%)	(30.0%)	(40.0%)
Capital Expenditure (\$ million)	300	4.0%	3.5%	2.9%	2.4%
	400	3.8%	3.3%	2.7%	2.2%
	500	3.6%	3.1%	2.5%	2.0%
	600	3.4%	2.9%	2.4%	1.8%

- Based on the illustrative figures in Table B, the *pro forma* FY2024 Adjusted DPU Yield would have decreased to 1.8% – 4.0% (versus the FY2024 Adjusted DPU Yield of 5.1%) based on the Last Transacted Price of S\$0.890 per unit.

Table C: Illustrative Impact on FY2024 Adjusted Aggregate Leverage (%)

Table C shows the illustrative impact on FY2024 Adjusted Aggregate Leverage assuming a Potential AEI incurring capital expenditure of S\$300 million to S\$600 million that is fully funded by debt with an all-in finance cost of 4.4% that would increase interest expenses.²⁵

	Capital Expenditure (\$ million)			
	300	400	500	600
FY2024 Adjusted Aggregate Leverage (%)	38.5	39.9	41.1	42.4

23 For illustrative purposes only, based on S\$300 million of capital expenditure fully funded by debt at an all-in finance cost of 4.4% and a 10% reduction in the Paragon NPI for FY2024, PARAGON REIT’s FY2024 Adjusted Distribution would be reduced to approximately S\$100.8 million. Resultant FY2024 Adjusted DPU based on the applicable number of units as of FY2024 would be 3.55 Singapore cents, which corresponds to a 21.4% decline in DPU. Based on 3.55 Singapore cents, this implies a FY2024 Adjusted DPU Yield of 4.0% based on the Last Transacted Price of S\$0.890 per Unit. Accordingly, the aforementioned methodology has been applied across various scenarios as illustrated per the sensitivity analysis in Table A and B.

24 Based on PARAGON REIT’s average cost of debt in FY2024.

25 For illustrative purposes only, based on S\$300 million of capital expenditure fully funded by debt, S\$300 million of debt has been added to total borrowing as of FY2024 as well as capitalised to the PARAGON REIT’s deposited property as of FY2024 adjusted, on a pro forma basis, for the Adjustments (as defined in **Part 2 of Schedule 1**), resulting in a FY2024 Adjusted Aggregate Leverage of 38.5%. Accordingly, the aforementioned methodology has been applied across various scenarios as illustrated per the sensitivity analysis in Table C.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

Based on the illustrative figures in Table C, a capital expenditure of between S\$300 million to S\$600 million would have resulted in a *pro forma* FY2024 Adjusted Aggregate Leverage from 34.2% to 38.5% – 42.4% (versus. Retail S-REIT Peers average of 38.6%).

(ii) Statement from Citi

Citi, acting in its capacity as financial adviser to the Offeror, has reviewed the rationale and supporting data for the assumptions and adjustments in this Schedule 1 and discussed the basis for these assumptions and adjustments with the Offeror. The rationale and supporting data have been provided by the Offeror and Citi has relied upon and assumed the accuracy and completeness of such information provided. Based on the foregoing, Citi concurs with the Offeror’s view that the assumptions are reasonable for illustrating the hypothetical impact of a Potential AEI in this Schedule 1. Citi acts solely as the financial adviser of the Offeror, and it does not accept any responsibility to any other person in connection with its aforementioned assessment.

PART 2 – ADJUSTED DPU, DPU YIELD AND ADJUSTED AGGREGATE LEVERAGE

Pro Forma Financial Effects on PARAGON REIT’s FY2024 DPU, DPU Yield and Aggregate Leverage after Adjustments

References to Adjusted DPU, Adjusted DPU Yield and Adjusted Aggregate Leverage in this Offeror’s Letter refers to the DPU, DPU Yield and Aggregate Leverage of PARAGON REIT as prepared by the Offeror and as derived from PARAGON REIT’s FY2024 Financial Statements, adjusted, on a *pro forma* basis, for the Adjustments (as defined below) and excluding any financial impact from a Potential AEI.

	FY2024	FY2024 Adjusted (Post Adjustments and excluding any Potential AEI)
Distribution to Unitholders (S\$’000)	132,014	128,334 ⁽¹⁾
Applicable Number of Units (’000)	2,839	2,839
DPU (Singapore cents)	4.65	4.52 ⁽²⁾
DPU Yield⁽³⁾(%)	5.2	5.1
Aggregate Leverage (%)	35.3	34.2 ⁽⁴⁾

Notes:

- (1) Calculated based on FY2024 Distribution to Unitholders less Distribution to Unitholders attributable to The Rail Mall and Figtree Grove Shopping Centre (including reversal of net property income received, management fees paid and cost savings from finance cost paid due to loans related to The Rail Mall and Figtree Grove Shopping Centre)
- (2) Calculated based on Distribution to Unitholders divided by Applicable Number of Units
- (3) Calculated based on DPU by the Last Transacted Price of S\$0.890 per Unit
- (4) Calculated based on FY2024 Aggregate Leverage, taking into account the divestment of Figtree Grove Shopping Centre and repayment of loans related to Figtree Grove Shopping Centre

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

Adjustments

The *pro forma* adjustments (together, the “**Adjustments**”) made to the PARAGON REIT FY2024 Financial Statements are as follows:

- (a) the following divestments by PARAGON REIT are assumed to have occurred on 1 January 2024:
 - (i) the divestment of The Rail Mall (which was completed on 15 August 2024); and
 - (ii) the divestment of Figtree Grove Shopping Centre (which was completed on 31 January 2025);
- (b) the special dividend from the divestment of The Rail Mall, given its one-off and non-recurring nature, has been excluded; and
- (c) the repayment of the perpetual securities issued in 2019 has been fully funded on and from 1 January 2024 by new banking facilities drawn in August 2024.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

Schedule 2

DISCLOSURE OF INTERESTS

1. Interests of the Offeror Concert Party Group in Paragon Securities

1.1.1 As at the Latest Practicable Date, based on the latest information available to TPPL, the interests in Units held by members of the Offeror Concert Party Group are set out below:

Relevant Person	Direct Interest		Deemed Interest ⁽¹⁾	
	No. of Units	% ⁽²⁾	No. of Units	% ⁽²⁾
A. Cuscaden Peak Group				
Paragon Manager	148,031,719	5.21	–	–
TPPL ⁽¹³⁾	462,747,825	16.30	148,031,719	5.21
CPI	–	–	610,779,544 ⁽³⁾	21.51
Cuscaden Peak Two Pte. Ltd. (“CP2”)	–	–	402,882,246 ⁽⁴⁾	14.19
CP	–	–	1,745,958,975 ⁽⁵⁾	61.50
B. Other Offeror Concert Parties⁽⁶⁾				
Fullerton (Private) Limited	514,759	0.018	–	–
Ms. Sim Sin Ying	–	–	3,000	n.m ⁽⁷⁾
Mr. Chua Tiow Chye	–	–	11,000 ⁽⁹⁾	n.m ⁽⁷⁾
Ms. Lim May Ling, Ginney	203,324	0.007	–	–
Ms. Mable Chan Kam Man	200,000	0.007	–	–
Ms. Janice Wu Sung Sung	–	–	50,000	0.002
Mr. Foong Seong Khong	4,000	n.m ⁽⁷⁾	–	–
Ms. Ong Chieh Ing Jaylyn	296,170 ⁽⁸⁾	0.010	–	–
Mr. Yap Neng Tong	–	–	2,346 ⁽⁹⁾	n.m ⁽⁷⁾
Mr. Tan Yew Chin	–	–	27,460 ⁽¹⁰⁾	0.001
Mr. Ho Swee Wan	–	–	33,000 ⁽⁹⁾	0.001
Ms. Yong Ming Yan	2,346	n.m ⁽⁷⁾	–	–
Mr. Tan Wee Hsien	1,564	n.m ⁽⁷⁾	–	–
Mr. Kelvin Lo Chee Kin	19,784	0.001	–	–
Ms. Wong Kar Ling	10,000	n.m ⁽⁷⁾	–	–
Dr. Lee Boon Yang	300,000	0.011	–	–
Ms. Tan Poh Hong	8,000	n.m ⁽⁷⁾	–	–

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

Relevant Person	Direct Interest		Deemed Interest ⁽¹⁾	
	No. of Units	% ⁽²⁾	No. of Units	% ⁽²⁾
B. Other Offeror Concert Parties⁽⁶⁾				
Dr. Siew Teck Woh	31,280	0.001	–	–
Mr. Tan Suan Swee	30,498	0.001	–	–
Mr. Woon Chin Voon Dennis	4,692	n.m ⁽⁷⁾	–	–
Mr. Lee Seng Chee	12,000	n.m ⁽⁷⁾	–	–
Ms. Ler Lily	1,500	n.m ⁽⁷⁾	–	–
Ms. Ng Lee Hoon Amy	7,820	n.m ⁽⁷⁾	–	–
Mr. Vipul	1,000	n.m ⁽⁷⁾	–	–
Mr. Wan Kwong Weng	1,000	n.m ⁽⁷⁾	–	–
Mr. Lui Sieu Weng Gregory	14,543	0.001	91,458 ⁽¹¹⁾	0.003
Mr. Lee Chong Kwee	20,000	0.001	–	–
Mr. Loh Shai Weng	16,400	0.001	5,400 ⁽⁹⁾	n.m ⁽⁷⁾
Mr. Wu Long Peng	–	–	3,346 ⁽¹²⁾	n.m ⁽⁷⁾
Mr. Wong Hin Sun Eugene	70,000	0.002	30,000 ⁽⁹⁾	0.001
Ms. Chan Chia Lin	–	–	8,521 ⁽⁹⁾	n.m ⁽⁷⁾
Citigroup Global Markets Limited ("CGML")	60,944	0.002	–	–

Notes:

(1) Deemed interests include interests determined pursuant to Section 4 of the SFA. For completeness, each of the following entities who are deemed to be members of the Offeror Concert Party Group are also deemed interested in the Units held by the Cuscaden Peak Group pursuant to Section 4 of the SFA:

- (i) MFPL;
- (ii) Gemstone Asset Holdings Pte. Ltd.;
- (iii) Mapletree;
- (iv) Fullerton Management Pte. Ltd.;
- (v) APL;
- (vi) CLA;
- (vii) TJ Holdings (III) Pte. Ltd.;
- (viii) Glenville Investments Pte. Ltd.;
- (ix) Mawson Peak Holdings Pte. Ltd.;
- (x) Bartley Investments Pte. Ltd.;

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

- (xi) Tembusu Capital Pte. Ltd.; and
- (xii) Temasek.
- (2) All references to percentage shareholding of the issued Units in this paragraph 1.1.1 of Schedule 2 to this Offeror’s Letter are based on the total issued Units as at the Latest Practicable Date, being 2,839,010,006 Units.
- (3) CPI is deemed interested in the Units held by the Paragon Manager and TPPL.
- (4) 402,882,246 Units held by CP2 through DBS Nominees (Private) Limited have been charged to banks as security for loan facilities taken up by CP.
- (5) 732,297,185 Units held by CP through DBS Nominees (Private) Limited have been charged to banks as security for loan facilities taken up by CP. CP is also deemed interested in the Units held by CP2, the Paragon Manager and TPPL.
- (6) These are persons deemed to be acting in concert with the Offeror. The individuals named are directors of certain entities within the Cuscaden Peak Group, CLA and its subsidiaries and Mapletree and its subsidiaries.
- (7) Not meaningful.
- (8) Includes the transfer of 56,205 Units by the Paragon Manager from the Paragon Manager’s own holdings of Units on 3 March 2025 granted pursuant to the PUA Scheme.
- (9) Units held jointly with, or by spouse.
- (10) Units held by self and jointly with, or by spouse.
- (11) Units held by parent.
- (12) Units held by child and spouse.
- (13) On completion of the Scheme, PARAGON REIT will be wholly-owned by the Cuscaden Peak Group. TPPL will hold a direct interest in 1,555,798,856 Units and the remaining Units will be held by the members of the Cuscaden Peak Group in the proportion set out above.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

2. Dealings in Units by the Offeror Concert Party Group

2.1.1 As at the Latest Practicable Date, based on the latest information available to TPPL, the dealings in Units by members of the Offeror Concert Party Group during the Reference Period are set out below:

Dealing Date	Nature of Dealing	Type of Securities	Number of Units bought/ (sold)	Transaction Price per Unit (S\$)	Name of Person dealing
25 November 2024	Sell	Units	(200)	0.8700	CGML
26 November 2024	Sell	Units	(8,000)	0.8796	CGML
26 November 2024	Sell	Units	(500)	0.8700	CGML
18 December 2024	Buy	Units	7,000	0.8650	CGML
19 December 2024	Buy	Units	18,800	0.8656	CGML
19 December 2024	Buy	Units	5,300	0.8650	CGML
20 December 2024	Buy	Units	1,900	0.8697	CGML
20 December 2024	Buy	Units	4,800	0.8600	CGML
31 December 2024	Buy	Units	200	0.8850	CGML
14 January 2025	Buy	Units	2,700	0.8806	CGML
31 January 2025	Buy	Units	6,800	0.8850	CGML
3 March 2025	Transferred pursuant to PUA Scheme	Units	(251,880)	0.9713 ⁽¹⁾	Paragon Manager
3 March 2025	Granted pursuant to PUA Scheme	Units	56,205	0.9713 ⁽¹⁾	Ms. Ong Chieh Ing Jaylyn

Note:

(1) The transfer price for the PUA Scheme is the volume weighted average price for a Unit for all trades done on the SGX-ST in the ordinary course of trading for the period of ten Business Days immediately preceding 3 March 2025.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

3. Dealings in Paragon Securities (other than Units) by the Offeror Concert Party Group

3.1.1 As at the Latest Practicable Date, based on the latest information available to TPPL, the dealings in Paragon Securities during the Reference Period by members of the Offeror Concert Party Group are set out below:

Dealing Date	Nature of Dealing	No. of Units in respect of the dealing of Paragon Securities	Transaction Price per Relevant Security (S\$)	Name of Person dealing
19 December 2024	Termination of short swap	24,100	0.8660	CGML
20 December 2024	Termination of short swap	6,700	0.8634	CGML

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

Schedule 3

INFORMATION RELATING TO THE OFFEROR AND CPI

1. DIRECTORS OF THE OFFEROR AND CPI

1.1 The relevant information of the directors of TPPL as at the Latest Practicable Date is set out below:

Name	Address	Designation
Yong Choon Miao, Gerald	c/o 88 Market Street, #40-01, Singapore 048948	Director
Chin Yean Cheng	c/o 168 Robinson Road, #30-01, Capital Tower, Singapore 068912	Director

1.2 The relevant information of the directors of CPI as at the Latest Practicable Date is set out below:

Name	Address	Designation
Chua Tiow Chye	c/o 10 Pasir Panjang Road, #13-01, Mapletree Business City, Singapore 117438	Director
Sim Sin Ying	c/o 10 Pasir Panjang Road, #13-01, Mapletree Business City, Singapore 117438	Director; Alternate Director to Chua Tiow Chye
Dulat Johan Marcel	c/o 60B Orchard Road, #06-18, The Atrium @ Orchard, Singapore 238891	Director
Yong Choon Miao, Gerald	c/o 88 Market Street, #40-01, Singapore 048948	Director
Chin Yean Cheng	c/o 168 Robinson Road, #30-01, Capital Tower, Singapore 068912	Alternate Director to Gerald Yong

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

2. PRINCIPAL ACTIVITIES

- 2.1** TPPL is a company incorporated in Singapore on 13 February 1959. The registered office of TPPL is at 135 Cecil Street, #10-01, Philippine Airlines Building, Singapore 069536. The principal activities of TPPL include investment holding, letting properties and the provision of property management services. TPPL is the direct holding company of the Paragon Manager.
- 2.2** CPI is a company incorporated in Singapore on 4 August 1984. The registered office of CPI is at 88 Market Street, #40-01, Singapore 048948. The principal activity of CPI includes but is not limited to investment holding. CP is the direct holding company of CPI, which in turn is the direct holding company of TPPL. The Cuscaden Peak Group holds, directly and indirectly through its subsidiaries, approximately 61.50% of the issued Units as at the Latest Practicable Date.

3. SHARE CAPITAL AND SHAREHOLDER

- 3.1** As at the Latest Practicable Date, the issued and paid-up share capital of TPPL is S\$6,000,000, comprising of 6,000,000 ordinary shares. The sole shareholder of TPPL is CPI. The shares of TPPL are not listed on any securities exchange.
- 3.2** As at the Latest Practicable Date, the issued and paid-up share capital of CPI is S\$522,809,116, comprising of 1,617,010,890 ordinary shares. The sole shareholder of CPI is CP. The shares of CPI are not listed on any securities exchange.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

4. FINANCIAL INFORMATION OF THE OFFEROR AND CPI

4.1 TPPL

Set out below is a summary of certain financial information extracted from TPPL’s audited financial statements for FY2022, FY2023 and FY2024 (collectively, the “**TPPL Financial Statements**”). The financial information referred to in this paragraph should be read in conjunction with the TPPL Financial Statements, which are available for inspection at the registered office of CPI at 88 Market Street, #40-01, Singapore 048948 during normal business hours from the date of this Offeror’s Letter up to (and including) the Effective Date:

4.1.1 Statement of Earnings

	FY2022⁽¹⁾ (1 September 2021 – 31 December 2022)	FY2023⁽²⁾⁽³⁾ (1 January 2023 – 31 December 2023)	FY2024⁽²⁾⁽⁴⁾ (1 January 2024 – 31 December 2024)
Total revenue (S\$’000)	212,987	134,166	176,878
Profit before taxation (S\$’000)	129,527	129,563	119,721
Profit after taxation (S\$’000)	121,176	129,474	116,962
Net earnings per share (S\$)	20.20	21.58	19.49
Net dividends per share (S\$)	–	46.16	25.00

Notes:

- (1) The financial year end was changed from August to December in FY2022, such that 16 months of financial data were included for FY2022, from 1 September 2021 to 31 December 2022.
- (2) On 31 December 2023, pursuant to Section 215D of the Companies Act, TPPL amalgamated with its wholly owned subsidiary, TPR Holdings Pte. Ltd.. Following the amalgamation, all the business and undertakings, including all rights and obligations, of TPR Holdings Pte. Ltd. were transferred to TPPL. The statement of earnings for FY2023 and FY2024 are in respect of TPPL post-amalgamation with effect from the amalgamation date of 31 December 2023.
- (3) TPPL has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2023:
 - (i) SFRS(I) 17: Insurance Contracts;
 - (ii) Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
 - (iii) Amendments to SFRS(I) 1-12: International Tax Reform – Pillar Two Model Rules;
 - (iv) Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies; and
 - (v) Amendments to SFRS(I) 1-8: Definition of Accounting Estimates.
- (4) TPPL has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2024:
 - (i) Amendments to SFRS(I) 1: Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants
 - (ii) Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback
 - (iii) Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

4.1.2 Balance Sheet

	FY2024 S\$'000
Equity	
Share capital	6,000
Reserves	234,878
Retained profits	161,093
Total equity	<u>401,971</u>
Non-current assets	
Subsidiaries	267,997
Associate	1,110
Investments	414,941
Loans to subsidiaries	366,786
	<u>1,050,834</u>
Current assets	
Loans to subsidiaries	78,398
Investment	6,944
Other receivables	2,157
Bank balances	1,782
	<u>89,281</u>
Total assets	<u>1,140,115</u>
Non-current liabilities	
Loan from immediate holding company	152,220
	<u>152,220</u>
Current liabilities	
Trade and other payables	1,365
Loan from immediate holding company	580,939
Current tax liabilities	3,620
	<u>585,924</u>
Total liabilities	<u>738,144</u>
Net assets	<u><u>401,971</u></u>

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

4.2 CPI

Set out below is a summary of certain financial information extracted from CPI’s audited consolidated financial statements for FY2022, FY2023 and FY2024 (collectively, the “**CPI Financial Statements**”). The financial information referred to in this paragraph should be read in conjunction with the CPI Financial Statements, which are available for inspection at the registered office of CPI at 88 Market Street, #40-01, Singapore 048948 during normal business hours from the date of this Offeror’s Letter up to (and including) the Effective Date:

4.2.1 Statement of Earnings

	FY2022⁽¹⁾⁽⁴⁾ (1 September 2021 – 31 December 2022)	FY2023⁽²⁾⁽⁵⁾ (1 January 2023 – 31 December 2023)	FY2024⁽³⁾⁽⁵⁾ (1 January 2024 – 31 December 2024)
Total revenue (S\$’000)	458,946	119,569	91,927
Profit before taxation from continuing operations (S\$’000)	389,911	185,258	158,766
Profit after taxation from continuing operations (S\$’000)	340,997	176,955	139,900
(Loss)/Profit from discontinued operations (S\$’000)	(121,220)	15,739	60,058
Profit after taxation (S\$’000)	219,777	192,694	199,958
Non-controlling interests (S\$’000)	69,610	2,056	49
Net earnings per share (S\$)	0.09	0.12	0.12
Net dividends per share (S\$)	0.12	0.19	0.11

The statement of earnings above relates to the consolidated financials of CPI and its subsidiaries (“**CPI Group**”).

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

Notes:

- (1) The financial year end was changed from August to December in FY2022, such that 16 months of financial data were included for FY2022, from 1 September 2021 to 31 December 2022.
- (2) CPI Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2023:
 - (i) SFRS(I) 17: Insurance Contracts;
 - (ii) Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
 - (iii) Amendments to SFRS(I) 1-12: International Tax Reform – Pillar Two Model Rules;
 - (iv) Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies; and
 - (v) Amendments to SFRS(I) 1-8: Definition of Accounting Estimates.
- (3) CPI Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2024:
 - (i) Amendments to SFRS(I) 1: Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants
 - (ii) Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback
 - (iii) Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements
- (4) In December 2021, CPI Group has transferred its Media business to a not-for-profit company limited by guarantee. Thus, the FY2022 consolidated income statement has been presented to show the financials of the Media business as a discontinued operation separately from continuing operations.
- (5) In April 2024, CPI Group has sold its entire Purpose-Built Student Accommodation (PBSA) business. Thus, the FY2024 consolidated income statement and the FY2023 comparative has been presented to show the financials of the PBSA business as a discontinued operation separately from continuing operations.

4.2.2 Balance Sheet

	<u>FY2024</u>
	S\$'000
Equity	
Share capital	522,809
Reserves	139,801
Retained profits	1,407,805
	<hr/>
Shareholders' interests	2,070,415
Non-controlling interests	(371)
	<hr/>
Total equity	2,070,044
	<hr/> <hr/>

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

	<u>FY2024</u> <u>S\$'000</u>
Non-current assets	
Property, plant and equipment	48,027
Investment properties	300,459
Associates	894,495
Joint ventures	33,747
Investments	281,192
Intangible assets	5,480
Trade and other receivables	140,352
	1,703,752
Current assets	
Inventories	389
Trade and other receivables	358,411
Investments	35,492
Cash and cash equivalents	351,391
Assets held for sale	6,600
	752,283
	2,456,035
Non-current liabilities	
Trade and other payables	245,848
Deferred tax liabilities	7,214
Borrowings	16,032
	269,094
Current liabilities	
Trade and other payables	38,132
Current tax liabilities	23,608
Borrowings	55,157
	116,897
Total liabilities	385,991
Net assets	2,070,044

The balance sheet above relates to the consolidated financials of CPI Group.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

5. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save in relation to and in connection with the Scheme (including financing the Scheme and the costs and expenses incurred or to be incurred in connection with the Scheme), there has been no known material change in the financial position of TPPL or CPI Group since 31 December 2024, being the date of the last audited financial statements of TPPL and CPI.

6. MATERIAL ACCOUNTING POLICIES

The audited financial statements of TPPL and CPI for FY2024 have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“**SFRS(I)**”). The material accounting policies of TPPL and CPI Group are set out in paragraph 3 of the Notes to the Financial Statements and paragraph 2 of the Notes to the Financial Statements of the audited financial statements of TPPL and CPI respectively for FY2024. A copy of the TPPL Financial Statements and CPI Financial Statements are available for inspection at the registered office of CPI at 88 Market Street, #40-01, Singapore 048948 during normal business hours from the date of this Offeror’s Letter up to (and including) the Effective Date.

7. CHANGES IN ACCOUNTING POLICIES

Save as disclosed above, there have been no changes to the material accounting policies of TPPL or CPI Group which would cause the figures set out in this Schedule 3 to be not comparable to a material extent.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

Schedule 4

GENERAL INFORMATION

1. MARKET QUOTATIONS

Closing Prices of the Units. The following table sets out the closing prices of the Units on the SGX-ST (as extracted from Bloomberg L.P.) on: (i) the Latest Practicable Date; (ii) 10 February 2025 (being the last full Market Day on which the Units were traded on the SGX-ST prior to the Joint Announcement Date); and (iii) the last Market Day for each of the six calendar months preceding the Joint Announcement Date and the corresponding premia based on the Scheme Consideration of S\$0.9800 per Unit:

Month	Closing Price (S\$)	Premium based on the Scheme Consideration of S\$0.9800 per Unit
Latest Practicable Date	0.965	1.6%
10 February 2025	0.890	10.1%
August 2024	0.895	9.5%
September 2024	0.920	6.5%
October 2024	0.875	12.0%
November 2024	0.860	14.0%
December 2024	0.880	11.4%
January 2025	0.885	10.7%

Highest and Lowest Prices of the Units. The highest and lowest closing prices of the Units on the SGX-ST (as extracted from Bloomberg L.P.) during the period commencing six months prior to the Joint Announcement Date and ending on the Latest Practicable Date and the corresponding premia based on the Scheme Consideration of S\$0.9800 per Unit are as follows:

	Price (S\$)	Date ⁽¹⁾	Premium/(Discount) based on the Scheme Consideration of S\$0.9800 per Unit
Highest Closing Price	0.995	13 and 17 February 2025	(1.5%)
Lowest Closing Price	0.855	11 September 2024; 7 and 8 November 2024	14.6%

(1) For avoidance of doubt, Ex-Date for 2H FY2024 Distribution is 18 February 2025. Closing prices of Units before 18 February 2025 trade on a cum-dividend basis. If the highest closing price of S\$0.995 was adjusted for the 2H FY2024 Distribution of 2.33 Singapore cents, the unit price will be S\$0.972, which is lower than the Scheme Consideration of S\$0.980.

APPENDIX B – THE OFFEROR’S LETTER TO THE UNITHOLDERS

2. CONSENT

Citi has given and have not withdrawn their written consent to the issue of this Offeror’s Letter with the inclusion herein of their name and all references to their names in the form and context in which it appears in this Offeror’s Letter.

3. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection²⁶ during normal business hours from the date of this Offeror’s Letter up to (and including) the Effective Date:

- 3.1.1 the Implementation Agreement, at the office of the Paragon Manager at 290 Orchard Road, #14-05/06, Paragon, Singapore 238859; and
- 3.1.2 the letter of consent referred to in paragraph 2 of this Schedule 4, at the office of CPI at 88 Market Street, #40-01, Singapore 048948; and
- 3.1.3 the CPI Financial Statements and TPPL Financial Statements, at the office of CPI at 88 Market Street, #40-01, Singapore 048948.

²⁶ Prior appointment is required. Please contact PARAGON REIT’s Investors Relations team (telephone: +65 6631 8987).

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

1. PARAGON DIRECTORS

The names, addresses and designations of the Paragon Directors as at the Latest Practicable Date are as follows:

Name	Address	Designation
Dr. Leong Horn Kee	c/o 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859	Chairman, Non-Executive and Non-Independent Director ⁽¹⁾
Ms. Chua Kheng Yeng, Jennie	c/o 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859	Deputy Chairman, Non-Executive and Independent Director
Mr. Eugene Paul Lai Chin Look	c/o 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859	Non-Executive and Lead Independent Director
Mrs. Trina Loh Soh Yong	c/o 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859	Non-Executive and Independent Director
Ms. Hoo Sheau Farn	c/o 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859	Non-Executive and Independent Director
Mr. Bernard Phang Sin Min	c/o 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859	Non-Executive and Independent Director
Mr. Raymond John Ferguson	c/o 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859	Non-Executive and Independent Director
Ms. Lim May Ling Ginney	c/o 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859	Non-Executive and Non-Independent Director
Mr. Yong Choon Miao, Gerald	c/o 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859	Non-Executive and Non-Independent Director

Note:

- (1) Dr. Leong Horn Kee was redesignated from a non-executive and independent director to a non-executive and non-independent director on 9 June 2022 as he had served as a director of the Paragon Manager for an aggregate period of more than nine (9) years and accordingly, was no longer deemed to be independent in accordance with Rule 210(5)(d)(iv) of the Listing Manual. However, for the purposes of the Scheme, Dr. Leong Horn Kee is considered to be a Paragon Independent Director.

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

2. PRINCIPAL ACTIVITIES

PARAGON REIT is a REIT constituted under the Paragon Trust Deed on 9 July 2013 and was listed on the Mainboard of the SGX-ST on 24 July 2013. PARAGON REIT is a Singapore-based REIT established principally to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for retail purposes in Asia-Pacific, as well as real estate-related assets. As at the Latest Practicable Date, PARAGON REIT's portfolio comprises Paragon and The Clementi Mall located in Singapore, and a 50% stake in Westfield Marion Shopping Centre located in Australia.

3. PARAGON UNITS

3.1. Paragon Units

As at the Latest Practicable Date, PARAGON REIT has 2,839,010,006 Units in issue.

3.2. Rights of the Unitholders in respect of Capital, Distributions and Voting

Selected texts of the Paragon Trust Deed relating to the rights of the Unitholders in respect of capital, distributions and voting have been extracted and reproduced in **Appendix E** to this Scheme Document.

3.3. Convertible Instruments

As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Offeror's Letter), there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, Units or securities which carry voting rights affecting Units.

4. FINANCIAL INFORMATION

4.1. Financial Information of the Paragon Group

Set out below is certain financial information extracted from the audited consolidated financial statements of the Paragon Group for 12M FY2022, FY2023 and FY2024.

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

The financial information for 12M FY2022, FY2023 and FY2024 should be read in conjunction with the financial statements of the Paragon Group and the accompanying notes as set out in the condensed interim statement of total return of the Paragon Group for 12M FY2022 as announced on 10 March 2023, the annual report of PARAGON REIT for FY2023 and the audited consolidated financial statements of the Paragon Group for FY2024 as announced on 11 February 2025, respectively.

	Paragon Group		
	Audited	Audited	Audited
	12M FY2022	FY2023	FY2024
	S\$'000	S\$'000	S\$'000
Gross revenue	283,821	288,926	300,954
Property expenses	(72,326)	(73,857)	(76,232)
Net property income	211,495	215,069	224,722
Manager's management fees	(21,091)	(21,208)	(21,968)
Investment management fees	(2,963)	(2,777)	(2,662)
Trustee's fees	(599)	(591)	(610)
Other trust expenses	(1,440)	(2,274)	(1,775)
Finance income	1,022	3,957	4,234
Finance costs	(28,293)	(54,595)	(59,877)
Net income before tax	158,131	137,581	142,064
Fair value change on investment properties	2,271	10,436	175,646
Net foreign currency exchange differences	4,311	(814)	(348)
Total return for the period/year before taxes and distribution	164,713	147,203	317,362
Income tax expense	(3,107)	(356)	(2,474)
Total return for the period/year after taxes and before distribution	161,606	146,847	314,888
Attributable to:			
Unitholders of the Trust	147,907	136,007	306,405
Perpetual securities holders	12,300	12,300	8,189
Non-controlling interests	1,399	(1,460)	294
Total return for the period/year	161,606	146,847	314,888

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

4.2. Distribution per Unit

Set out below is also a summary of the distribution per Unit declared in respect of each of 12M FY2022, FY2023 and FY2024. This information was extracted from the condensed interim statement of total return of the Paragon Group for 12M FY2022 as announced on 10 March 2023, the annual report of PARAGON REIT for FY2023 and the audited consolidated financial statements of the Paragon Group for FY2024 as announced on 11 February 2025, respectively.

	Paragon Group		
	Audited	Audited	Audited
	12M FY2022	FY2023	FY2024
	S\$'000	S\$'000	S\$'000
Excluding Special Distribution (cents)	5.52	5.02	4.65
Special Distribution (cents) ⁽¹⁾	–	–	1.85
Distribution per Unit (cents)	5.52	5.02	6.50

Note:

(1) A special distribution of 1.85 cents was declared for FY2024 out of the proceeds from the divestment of The Rail Mall.

4.3. Consolidated Statement of Financial Position

The audited consolidated statement of financial position of the Paragon Group as at 31 December 2024, being the latest published audited consolidated statement of financial position of the Paragon Group prior to the Latest Practicable Date, is set out below.

The audited consolidated statement of financial position of the Paragon Group as at 31 December 2024 should be read in conjunction with the audited consolidated financial statements of the Paragon Group for FY2024 and the accompanying notes.

	Paragon Group
	Audited
	FY2024
	S\$'000
Non-current assets	
Plant and equipment	146
Investment properties	4,038,216
Derivative financial instruments	6,196
	4,044,558

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

	Paragon Group Audited FY2024 S\$'000
Current assets	
Trade and other receivables	5,364
Derivative financial instruments	83
Cash and cash equivalents	105,703
Asset held for sale	158,816
	269,966
Total assets	4,314,524
Non-current liabilities	
Borrowings	989,399
Derivative financial instruments	2,460
Trade and other payables	44,000
	1,035,859
Current liabilities	
Borrowings	537,454
Derivative financial instruments	1,616
Trade and other payables	64,132
Provision for taxation	135
Liability directly associated with the asset held for sale	479
	603,816
Total liabilities	1,639,675
Net assets	2,674,849
Represented by:	
Unitholders' funds	2,664,274
Non-controlling interests	10,575
	2,674,849
Units in issue ('000)	2,839,010
Net asset value per Unit (S\$)	0.94

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

4.4. Material Changes in Financial Position

As at the Latest Practicable Date, save for (a) the Scheme (and the financing thereof) and (b) any publicly available information on the Paragon Group (including without limitation, the announcements released by the Paragon Manager, on behalf of PARAGON REIT, on SGXNet), there have been no material changes in the financial position of PARAGON REIT since 31 December 2024, being the date of the last published audited consolidated financial statements of the Paragon Group.

4.5. Significant Accounting Policies

The significant accounting policies for the Paragon Group are set out in the notes to the audited consolidated financial statements of the Paragon Group for FY2024. Save as disclosed in the notes to the audited consolidated financial statements of the Paragon Group for FY2024, there are no significant accounting policies or any matter from the notes of the financial statements of the Paragon Group which are of any major relevance for the interpretation of the financial statements of the Paragon Group.

4.6. Changes in Accounting Policies

As at the Latest Practicable Date, there are no changes in the accounting policies of the Paragon Group which will cause the figures disclosed in this paragraph 4 of this **Appendix C** to this Scheme Document not to be comparable to a material extent.

5. DISCLOSURE OF INTERESTS

5.1. Interests of the Paragon Group in TPPL Securities

As at the Latest Practicable Date, none of the Paragon Group Entities owns, controls or has agreed to acquire any TPPL Securities.

5.2. Interests of the Paragon Manager in TPPL Securities

As at the Latest Practicable Date, the Paragon Manager does not have any direct or indirect interests in TPPL Securities.

5.3. Interests of the Paragon Directors in TPPL Securities

As at the Latest Practicable Date, none of the Paragon Directors has any direct or indirect interests in TPPL Securities.

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

5.4. Interests of the Paragon Manager in Paragon Securities

As at the Latest Practicable Date, the interests of the Paragon Manager in Units is as follows:

Paragon Manager	Direct Interest		Deemed Interest ⁽¹⁾	
	No. of Units	% ⁽²⁾	No. of Units	% ⁽²⁾
PARAGON REIT Management Pte. Ltd.	148,031,719	5.21	–	–

Notes:

- (1) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.
(2) All references to percentage unitholding are based on the total issued Units as at the Latest Practicable Date, being 2,839,010,006 Units. Percentages are rounded to the nearest two (2) decimal places.

Save as disclosed in this Scheme Document, as at the Latest Practicable Date, the Paragon Manager does not have any direct or indirect interests in Paragon Securities.

5.5. Interests of the Paragon Directors in Paragon Securities

As at the Latest Practicable Date, based on the latest information available to the Paragon Manager, the interests in Units held by the Paragon Directors are set out below:

Paragon Directors	Direct Interest		Deemed Interest ⁽¹⁾	
	No. of Units	% ⁽²⁾	No. of Units	% ⁽²⁾
Dr. Leong Horn Kee	–	–	–	–
Ms. Chua Kheng Yeng, Jennie	100,000	0.004	–	–
Mr. Eugene Paul Lai Chin Look	–	–	–	–
Mrs. Trina Loh Soh Yong	–	–	–	–
Ms. Hoo Sheau Farn	–	–	–	–
Mr. Bernard Phang Sin Min ⁽³⁾	–	–	10,000	n.m. ⁽⁴⁾
Mr. Raymond John Ferguson	–	–	–	–
Ms. Lim May Ling Ginney	203,324	0.007	–	–
Mr. Yong Choon Miao, Gerald	–	–	–	–

Notes:

- (1) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.
(2) All references to percentage unitholding are based on the total issued Units as at the Latest Practicable Date, being 2,839,010,006 Units. Percentages are rounded to the nearest three (3) decimal places.
(3) Mr. Bernard Phang Sin Min is deemed to have an interest in the Units through his spouse.
(4) Not meaningful.

Save as disclosed in this Scheme Document, as at the Latest Practicable Date, none of the Paragon Directors has any direct or indirect interests in Paragon Securities.

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

5.6. Interests of Substantial Unitholders in Units

As at the Latest Practicable Date, based on the latest information available to the Paragon Manager, the interests of the substantial Unitholders in the Units are set out below:

Substantial Unitholders	Direct Interest		Deemed Interest ⁽¹⁾	
	No. of Units	% ⁽²⁾	No. of Units	% ⁽²⁾
Cuscaden Peak Pte. Ltd.	–	–	1,745,958,975	61.50
Cuscaden Peak Investments Pte. Ltd.	–	–	610,779,544	21.51
Cuscaden Peak Two Pte. Ltd.	–	–	402,882,246	14.19
TJ Holdings (III) Pte. Ltd.	–	–	1,745,958,975	61.50
Glenville Investments Pte. Ltd.	–	–	1,745,958,975	61.50
Mawson Peak Holdings Pte. Ltd.	–	–	1,745,958,975	61.50
Bartley Investments Pte. Ltd.	–	–	1,745,958,975	61.50
Tembusu Capital Pte. Ltd.	–	–	1,745,958,975	61.50
Fullerton Management Pte. Ltd.	–	–	1,745,958,975	61.50
Temasek Holdings (Private) Limited	–	–	1,745,958,975	61.50
Mapletree Fortress Pte. Ltd.	–	–	1,745,958,975	61.50
Gemstone Asset Holdings Pte. Ltd.	–	–	1,745,958,975	61.50
Mapletree Investments Pte. Ltd.	–	–	1,745,958,975	61.50
Adenium Pte. Ltd.	–	–	1,745,958,975	61.50
CLA Real Estate Holdings Pte. Ltd.	–	–	1,745,958,975	61.50
Times Properties Private Limited	462,747,825	16.30	148,031,719	5.21
PARAGON REIT Management Pte. Ltd.	148,031,719	5.21	–	–

Notes:

- (1) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.
- (2) All references to percentage unitholding are based on the total issued Units as at the Latest Practicable Date, being 2,839,010,006 Units. Percentages are rounded to the nearest two (2) decimal places.

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

5.7. Paragon Manager's Performance Unit Award Scheme

As at the Latest Practicable Date, there are 1,615,643 outstanding awards granted under the PUA Scheme, pursuant to which a maximum of 2,423,465 Units may be granted to eligible employees of the Paragon Manager and the property manager, Straits Retail Property Management Services Pte. Ltd. (subject to final achievement factor and fulfilment of the terms and conditions set out in the PUA Scheme). All Units to be granted pursuant to the PUA Scheme are transferred from the Paragon Manager's own holdings of Units. The Paragon Manager has on 3 March 2025 transferred 251,880 Units to such employees to satisfy the grants which have vested as at 31 August 2024.²³ Subject to the Scheme becoming effective, it is expected that the remaining awards will either lapse or be encashed in accordance with the terms of the PUA Scheme.

6. DEALINGS DISCLOSURE

6.1. Dealings in TPPL Securities by the Paragon Group

None of the Paragon Group Entities has dealt for value in TPPL Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.2. Dealings in TPPL Securities by the Paragon Manager

The Paragon Manager has not dealt for value in TPPL Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.3. Dealings in TPPL Securities by the Paragon Directors

None of the Paragon Directors has dealt for value in TPPL Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.4. Dealings in Paragon Securities by the Paragon Manager

Save as disclosed below and in this Scheme Document, the Paragon Manager has not dealt for value in Paragon Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date:

- (a) On 3 March 2025, 169,335 Units at the transfer price of S\$0.9713 were transferred by the Paragon Manager to employees of the Paragon Manager for the purpose of the PUA Scheme; and
- (b) On 3 March 2025, 82,545 Units at the transfer price of S\$0.9713 were transferred by the Paragon Manager to employees of the property manager, Straits Retail Property Management Services Pte. Ltd., for the purpose of the PUA Scheme.

²³ The SIC has confirmed in its ruling dated 5 February 2025 that such a transfer does not constitute a breach of Rule 11.2 of the Code.

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

6.5. Dealings in Paragon Securities by the Paragon Directors

None of the Paragon Directors has dealt for value in Paragon Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

7. INTERESTS OF THE INDEPENDENT FINANCIAL ADVISER

7.1. Interests of the Paragon IFA in Paragon Securities

As at the Latest Practicable Date, none of the Paragon IFA, its related corporations or funds whose investments are managed by the Paragon IFA or its related corporations on a discretionary basis, owns or controls any Paragon Securities.

7.2. Dealings in Paragon Securities by the Paragon IFA

None of the Paragon IFA, its related corporations or funds whose investments are managed by the Paragon IFA or its related corporations on a discretionary basis has dealt for value in Paragon Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

8. ARRANGEMENTS AFFECTING PARAGON DIRECTORS

8.1. No Payment or Benefit to Paragon Directors

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Paragon Director or to any director of any other corporation which, by virtue of Section 6 of the Companies Act, is deemed to be related to the Paragon Manager as compensation for loss of office or otherwise in connection with the Scheme.

8.2. No Agreement Conditional upon Outcome of the Scheme

As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Offeror's Letter), there is no agreement, arrangement or understanding made between any of the Paragon Directors and any other person in connection with or conditional upon the outcome of the Scheme.

8.3. No Material Interest in Material Contracts

As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Offeror's Letter), there is no material contract entered into by TPPL in which any Paragon Director has a material personal interest, whether direct or indirect.

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

9. MATERIAL LITIGATION

As at the Latest Practicable Date:

- (a) none of the Paragon Group Entities is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially or adversely affect the financial position of the Paragon Group taken as a whole; and
- (b) the Paragon Directors are not aware of any proceedings pending or threatened against any of the Paragon Group Entities or of any facts likely to give rise to any proceedings which might materially or adversely affect the financial position of the Paragon Group taken as a whole.

10. GENERAL DISCLOSURE

10.1. Audited Consolidated Financial Statements for FY2022, FY2023 and FY2024

The audited consolidated financial statements of the Paragon Group for FY2022 and FY2023 are set out in the annual reports of PARAGON REIT for FY2022 and FY2023, respectively, and the audited consolidated financial statements of the Paragon Group for FY2024 is set out in the announcement made by the Paragon Manager on 11 February 2025, each of which is available for inspection²⁴ at the registered office of the Paragon Manager at 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859 during normal business hours from the date of this Scheme Document up to (and including) the Effective Date.

10.2. Paragon Directors' Service Contracts

As at the Latest Practicable Date:

- (a) there are no service contracts between any of the Paragon Directors or proposed directors with any Paragon Group Entity which have more than 12 months to run and which are not terminable by the employing company within the next 12 months without paying any compensation; and
- (b) there are no such contracts entered into or amended during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

²⁴ Prior appointment is required. Please contact PARAGON REIT's Investors Relations team (Telephone: +65 6631 8987).

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

10.3. Material Contracts with Interested Persons

As at the Latest Practicable Date, save for the entry into the Implementation Agreement and save as disclosed in the annual reports of PARAGON REIT for FY2022 and FY2023, and any other information on the Paragon Group which is publicly available (including without limitation, the announcements released by the Paragon Manager on SGXNet) as to material contracts with interested persons (within the meaning of Note 1 on Rule 23.12 of the Code) which are not in the ordinary course of business, none of the Paragon Group Entities has entered into any material contracts with interested persons (other than those entered into in the ordinary course of business) during the period beginning three (3) years before the Joint Announcement Date and ending on the Latest Practicable Date.

10.4. Costs and Expenses

In the event that the Scheme does not become effective and binding for any reason, save as set out below, the expenses and costs incurred by the Paragon Manager in connection with the Scheme will be paid out of the assets of PARAGON REIT.

10.5. Paragon Manager's Intentions with respect to its Units

As at the Latest Practicable Date, the Paragon Manager holds Units (amounting to approximately 5.21% of the total number of Units) as set out in paragraph 5.4 of this **Appendix C** to this Scheme Document. Pursuant to Rule 748(5) of the Listing Manual, the Paragon Manager will abstain from voting on the Paragon Scheme Resolution.

11. CONSENTS

11.1. General

Rajah & Tann Singapore LLP, Dentons Rodyk & Davidson LLP, Morgan Stanley Asia (Singapore) Pte. and the Unit Registrar have each given and have not withdrawn their respective written consents to the issue of this Scheme Document with the inclusion herein of their names and all the references to their names in the form and context in which they respectively appear in this Scheme Document.

11.2. The Paragon IFA

The Paragon IFA has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name, the Paragon IFA Letter as set out in **Appendix A** to this Scheme Document and all references thereto in the form and context in which it appears in this Scheme Document.

11.3. Valuer

The Valuers have given and have not withdrawn their written consent to the issue of this Scheme Document with the inclusion herein of its name, the Valuation Certificates as set out in **Appendix F** to this Scheme Document, and all references thereto in the form and context in which it appears in this Scheme Document.

APPENDIX C – GENERAL INFORMATION RELATING TO PARAGON REIT

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection²⁵ at the registered office of the Paragon Manager at 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859 during normal business hours from the date of this Scheme Document up to (and including) the Effective Date:

- (a) the Paragon IFA Letter;
- (b) the Paragon Trust Deed;
- (c) the annual reports of PARAGON REIT for FY2022 and FY2023;
- (d) the condensed interim statement of total return of the Paragon Group for 12M FY2022;
- (e) the audited consolidated financial statements of the Paragon Group for FY2022, FY2023 and FY2024;
- (f) the Valuation Certificates and the Valuation Reports;
- (g) the Implementation Agreement; and
- (h) the letters of consent referred to in paragraph 11 of this **Appendix C** to this Scheme Document.

²⁵ Prior appointment is required. Please contact PARAGON REIT's Investors Relations team (Telephone: +65 6631 8987).

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APPENDIX D – PARAGON TRUST DEED AMENDMENTS

1. To amend Clause 9.2 of the Paragon Trust Deed to reflect the addition indicated by the underlined text below:

“9.2 Delisting of the Trust

Notwithstanding anything in the Listing Rules and the listing rules of any other relevant Recognised Stock Exchange, the Manager may only make an application to delist the Trust, after it has been Listed if the delisting has been approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1 or after a Scheme Resolution has been approved at a Scheme Meeting.”

2. To insert the following provision as Clause 24A in the Paragon Trust Deed immediately after Clause 24 of the Paragon Trust Deed:

“24A Scheme

24A.1 Definitions

For the purposes of Clause 24A:

“Court” means the General Division of the High Court of the Republic of Singapore, or where applicable on appeal, the Appellate Division of the High Court of the Republic of Singapore and/or the Court of Appeal of the Republic of Singapore;

“Offeror” means any corporation or body unincorporate (whether incorporated or carrying on business in Singapore or not) or real estate investment trust or business trust (whether registered or carrying on business in Singapore or not) or natural person (whether resident in Singapore or not and whether a citizen of Singapore or not) or any other entity proposing to acquire all or any part of the Units by way of a Scheme;

“relevant intermediary” shall have the meaning ascribed to it in paragraph 26 of Schedule 1;

“Scheme” means an arrangement under which an Offeror acquires all or any part of the Units held by the Holders or any class of Holders, which is subject to the Scheme Resolution being approved at a Scheme Meeting and by an order of the Court;

“Scheme Meeting” means the general meeting(s) (or any adjourned meeting(s)) of the Holders or class of Holders for the purpose of, *inter alia*, considering and voting on the Scheme Resolution;

“Scheme Resolution” means a resolution passed by a majority in number of Holders (the **“Headcount Condition”**) representing at least three-fourths (75.0 per cent.) in value (the **“Value Condition”**) of the Units held by the Holders or class of Holders present and voting either in person or by proxy at the Scheme Meeting to approve the Scheme; and

APPENDIX D – PARAGON TRUST DEED AMENDMENTS

“**Trust Deed Amendment Resolution**” means a resolution passed by a majority consisting of 75.0 per cent. or more of the total number of votes cast for and against such resolution at a meeting of Holders or (as the case may be) Depositors named in the Depository Register as at 72 hours before the time of such meeting as certified by the Depository to the Manager to approve the amendments to this Deed to facilitate the implementation of the Scheme.

24A.2 Implementation of Scheme

On and with effect from the time at which the Trust Deed Amendment Resolution has been duly passed:

24A.2.1 each Holder, the Trustee and the Manager shall do all things and execute all deeds, instruments, transfers or other documents as the Trustee and/or the Manager consider are necessary or desirable to execute, implement and/or to give full effect to the terms of the Scheme and the transactions contemplated by it and any other matters reasonably incidental thereto;

24A.2.2 notwithstanding anything in this Deed, unless the Court orders otherwise:

(a) each Holder which is not a relevant intermediary who is entitled to attend and vote at the Scheme Meeting may appoint only one proxy to attend and vote in his/her/its stead and may only cast all the voting rights attached to his/her/its Units at the Scheme Meeting (whether in person or by proxy) in one way. Where a Holder which is not a relevant intermediary appoints more than one proxy, such additional appointments shall be invalid;

(b) in relation to any Holder which is a relevant intermediary:

(i) subject to Clause 24A.2.2(b)(ii) below, a Holder which is a relevant intermediary need not cast all the voting rights attached to the Units held on behalf of its sub-account holders in the same way, provided that (1) each vote is exercised in relation to a different Unit, and (2) the voting rights attached to all or any of the Units in each sub-account may only be cast at the Scheme Meeting in one way but, for the avoidance of doubt, the voting rights of such Units need not be cast in the same way as the Units in another sub-account; and

(ii) a Holder which is a relevant intermediary may appoint more than two proxies in relation to the Scheme Meeting to exercise all or any of such Holder’s rights to attend and to speak and vote at the Scheme Meeting, but each proxy must be appointed to exercise the voting rights attached to a different Unit or Units held by the Holder on behalf of its sub-account holders (which number and class of Units must be specified), provided that no more than one proxy may be given in respect of each sub-account which holds Units. Where a proxy is appointed in accordance with this Clause

APPENDIX D – PARAGON TRUST DEED AMENDMENTS

24A.2.2(b)(ii) in respect of Units held on behalf of only one sub-account holder, such proxy may only cast the voting rights attached to all or any of the Units in such sub-account at the Scheme Meeting in one way;

(c) notwithstanding anything in this Deed, for the purpose of determining whether the Headcount Condition and the Value Condition are satisfied, unless the Court orders otherwise:

(i) each proxy appointed in accordance with Clause 24A.2.2(a) and which casts a vote in respect of its Units for or against the Scheme shall be treated as:

(aa) casting one vote in number for purposes of the Headcount Condition; and

(bb) the value represented by the proxy for purposes of the Value Condition shall be the number of Units in relation to which voting rights are being exercised by the proxy.

For the avoidance of doubt, where a person has been appointed as the proxy of more than one Holder to vote at the Scheme Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing Holder for purposes of the Headcount Condition and Value Condition; provided that the proxy is exercising the voting rights attached to a different Unit or Units (which number and class of Units must be specified);

(ii) each proxy appointed in accordance with Clause 24A.2.2(b)(ii) above or each sub-account holder on whose behalf the Holder which is a relevant intermediary holds Units, and which casts a vote in respect of its Units for or against the Scheme shall be:

(aa) treated as casting one vote in number for purposes of the Headcount Condition; and

(bb) the value represented by the proxy or sub-account holder for purposes of the Value Condition shall be the number of Units in relation to which voting rights are being exercised by the proxy or the sub-account holder.

Where a person has been appointed as proxy in accordance with Clause 24A.2.2(b)(ii) above of more than one sub-account holder to vote at the Scheme Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing sub-account holder for purposes of the Headcount Condition and Value Condition; provided that such proxy is exercising the voting rights attached to a different Unit or Units (which number and class of Units must be specified). The Holder which is a relevant

APPENDIX D – PARAGON TRUST DEED AMENDMENTS

intermediary shall submit to the Registrar the list of these sub-account holder(s) (which sets out the name of each sub-account holder, the number of Units attributed to each sub-account holder, and whether the sub-account holder has voted in favour of or against the Scheme in respect of such Units). Each sub-account holder may only vote one way in respect of all or any part of the Units in such sub-account;

- (iii) where a Holder which is a relevant intermediary casts the voting rights attached to the Units held on behalf of its sub-account holder(s) both for and against the Scheme without submitting to the Registrar the information required under Clause 24A.2.2(c)(ii) then, without prejudice to the treatment of any proxies appointed in accordance with Clause 24A.2.2(b)(ii) above:
 - (aa) such relevant intermediary shall be treated as casting one vote in favour of the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes for the Scheme than against the Scheme;
 - (bb) such relevant intermediary shall be treated as casting one vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes against the Scheme than for the Scheme;
 - (cc) such relevant intermediary shall be treated as casting one vote for and one vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts equal votes for and against the Scheme; and
 - (dd) with respect to each of the scenarios set out in Clauses 24A.2.2(c)(iii)(aa), 24A.2.2(c)(iii)(bb) and 24A.2.2(c)(iii)(cc) above, the value represented by the relevant intermediary for purposes of the Value Condition shall be the number of Units in relation to which voting rights “for” and “against” the Scheme are being exercised by the relevant intermediary;

24A.2.4 without limiting the Trustee’s and the Manager’s other powers under this Clause 24A, each of the Trustee and/or the Manager shall have the power to do all things which it considers necessary, desirable or reasonably incidental to execute, implement and/or to give effect to the Scheme and the transactions contemplated by it and any other matters reasonably incidental thereto; and

APPENDIX D – PARAGON TRUST DEED AMENDMENTS

24A.2.5 a Scheme, in respect of which a Scheme Resolution has been approved at a Scheme Meeting and which is approved by an order of the Court, coming into effect on its effective date in accordance with its terms, shall:

- (i) bind the Trustee and the Manager and all Holders from time to time, including those who do not attend the Scheme Meeting, those who do not vote at the Scheme Meeting and those who vote against the Scheme Resolution at the Scheme Meeting; and
- (ii) to the extent of any inconsistency, override the other provisions of this Deed.”

3. To amend paragraph 26 of Schedule 1 of the Paragon Trust Deed to reflect the deletions indicated by the deleted text below and the additions indicated by the underlined text below:

“26. Notwithstanding any provision to the contrary in this Deed, a Holder who is a relevant intermediary may appoint more than two proxies ~~one proxy~~ in relation to a general meeting to exercise all or any of its rights to attend and to speak and vote at the general meeting, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by it (and where relevant, which number and class of Units must ~~shall~~ be specified).

For the purpose of this Deed, “relevant intermediary” means:

- (i) a banking corporation licensed under the Banking Act ~~1970, Chapter 19 of Singapore~~, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
- (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act and who holds Units in that capacity; or
- (iii) (if applicable) the Central Provident Fund Board established by the Central Provident Fund Act ~~1953, Chapter 36 of Singapore~~, in respect of Units purchased under the subsidiary legislation made under the Central Provident Fund Act 1953 providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

For the avoidance of doubt, notwithstanding anything in this Deed, Holders who have used their CPF monies to subscribe or purchase Units through the CPF Investment Scheme are allowed to attend any general meetings as observers, PROVIDED THAT such Holders have submitted their requests to attend the general meeting through their CPF agent banks.”

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APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

The rights of Unitholders in respect of capital, distributions and voting as extracted and reproduced from the Paragon Trust Deed are set out below:

All capitalised terms used in the following extracts shall have the same meanings given to them in the Paragon Trust Deed, a copy of which is available for inspection during normal business hours at the registered office of the Paragon Manager from the date of this Scheme Document up to (and including) the Effective Date.

THE RIGHTS OF UNITHOLDERS IN RESPECT OF CAPITAL

“2. Provisions as to Units, Holders and Statements of Holdings

2.1 No Certificates

2.1.1 No certificate shall be issued to Holders by either the Manager or the Trustee in respect of Units (whether Listed or Unlisted) issued to Holders. For so long as the Trust is Listed on the SGX-ST, the Manager shall, pursuant to the Depository Services Terms and Conditions, appoint the Depository as the Unit depository for the Trust, and all Units issued will be deposited with the Depository and represented by entries in the Register in the name of the Depository as the registered Holder thereof (save in respect of any Units which have been distributed in connection with the acquisition of all the issued and paid-up ordinary shares in the capital of SPH Limited by Cuscaden Peak Pte. Ltd. by way of a scheme of arrangement and which are not deposited with the Depository).

2.1.2 For so long as the Trust is Listed on the SGX-ST, the Manager or the agent appointed by the Manager shall issue to the Depository or such other Holder (as the case may be) not more than 10 Business Days after the issue of Units, a confirmation note confirming the date of issue and the number of Units so issued and, if applicable, also stating that the Units are issued under a moratorium and the expiry date of such moratorium. For the purposes of this Deed, such confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

2.2 Form of Statements of Holdings

2.2.1 In the event the Trust is or becomes Unlisted, the Manager or the agent appointed by the Manager shall issue to each Holder not more than one month after the allotment of Units to such Holder a confirmation note confirming such allotment. The Manager or its agent shall, for so long as the Trust is Unlisted, issue to each Holder on a calendar quarterly basis (or such other period as may be agreed between the Manager and the Trustee) a statement of holdings (the “**Statement of Holdings**”). A Statement of Holdings shall be dated and shall specify the number of Units held by each Holder in respect of the preceding quarter (or such other relevant period) and the transactions in respect of such Units and shall be in such form as may from time to time be agreed between the Manager and the Trustee.

2.2.2 For so long as the Trust is Listed and Units are registered in the name of the Depository, the Depository shall issue to each Depositor such contract statements, confirmation notes, statements of accounts balances and statements of transactions and accounts balances, and at such intervals, as may be provided for in the Depository’s terms and conditions for operation of Securities Accounts.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

2.3 Sub-division and Consolidation of Units

The Manager may at any time, with the approval of the Trustee and on prior written notice, given by the Manager to each Holder (or (as the case may be) to each Depositor by the Manager or the Trustee delivering such notice in writing to the Depository for onward delivery to the Depositors), determine that each Unit shall be sub-divided into two or more Units or consolidated with one or more other Units and the Holders shall be bound accordingly. The Register shall be altered accordingly to reflect the new number of Units held by each Holder as a result of such sub-division or consolidation and, where applicable, the Trustee shall cause the Depository to alter the Depository Register accordingly in respect of each Depositor's Securities Account to reflect the new number of Units held by each Depositor as a result of such sub-division or consolidation.

2.4 Terms and Conditions of Trust Deed and Supplemental Deeds to Bind Holders

The terms and conditions of this Deed shall be binding on each Holder and all persons claiming through him as if he had been party thereto and as if this Deed contained covenants on the part of each Holder to observe and be bound by all the provisions hereof and an authorisation by each Holder to do all such acts and things as this Deed may require the Trustee or (as the case may be) the Manager to do.

2.5 Availability of Trust Deed

A copy of this Deed and of any supplemental deed for the time being in force shall be made available for inspection at the registered office of the Manager at all times during usual Business Hours and shall be supplied by the Manager to any person on application at a charge not exceeding S\$10 per copy document.

2.6 Units to be Held Free from Equities

A Holder entered in the Register as the registered holder of Units or (as the case may be) a Depositor whose name is entered in the Depository Register in respect of Units registered to him, shall be the only person recognised by the Trustee or by the Manager as having any right, title or interest in or to the Units registered in his name and the Trustee and the Manager may recognise such Holder or (as the case may be) such Depositor as absolute owner thereof and shall not be bound by any notice to the contrary or to take notice of or to see to the execution of any trust, express, implied or constructive, save as herein expressly provided or save as required by some court of competent jurisdiction to recognise any trust or equity or other interest affecting the title to any Units. Save as provided in this Deed, no notice of any trust, express, implied or constructive, shall be entered on the Register or the Depository Register.

2.7 Variation of Rights

Whenever the Units of the Trust is divided into different Classes, subject to the provisions of the Relevant Laws, Regulations and Guidelines, preference Units, other than redeemable preference Units, may be repaid and the special rights attached to any Class may be varied or abrogated either with the consent in writing of the holders of three-quarters of the issued Units of the Class or with the sanction of an Extraordinary Resolution at a separate meeting of holders of the Units of the Class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Trust is a going concern or during or in contemplation of a winding-up. To every such meeting of Holders, all the provisions of

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

this Deed relating to meetings of Holders (including, but not limited to the provisions of Schedule 1) shall *mutatis mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the issued Units of the Class and that any holder of Units of the Class present in person or by proxy, PROVIDED ALWAYS that where the necessary majority for such an Extraordinary Resolution is not obtained at such meeting of Holders, consent in writing if obtained from the holders of three-quarters of the issued Units of the Class concerned within two months of such meeting of Holders shall be as valid and effectual as an Extraordinary Resolution at such meeting of Holders. This Clause 2.7 shall apply to the variation or abrogation of the special rights attached to some only of the Units of any Class as if each group of Units of the Class differently treated formed a separate Class the special rights whereof are to be varied.

2.8 Rights of Manager in Respect of Units Not Registered

For so long as the Trust is Unlisted, the Manager shall be treated for all the purposes of this Deed as the Holder of each Unit during such times as there shall be no other person registered or entitled to be registered as the Holder and any such Unit shall be deemed to be in issue. Nothing herein contained shall prevent the Manager from becoming registered as the Holder of Units.

2.9 Restrictions

The Holders shall not give any directions to the Manager or the Trustee (whether at a meeting of Holders convened pursuant to Clause 30 or otherwise) and if such directions are given, the Manager and/or Trustee shall be entitled to disregard such instructions if it would require the Manager or Trustee to do or omit from doing anything which may result in:

- 2.9.1 the Trust, the Manager or the Trustee, as the case may be, ceasing to comply with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange on or after the Listing Date and such other Relevant Laws, Regulations and Guidelines; or
- 2.9.2 the exercise of any discretion expressly conferred on the Trustee or the Manager by this Deed or the determination of any matter which under this Deed requires the agreement of either or both of the Trustee and the Manager; PROVIDED THAT nothing in this Clause 2.9.2 shall limit the right of a Holder to require the due administration of the Trust in accordance with this Deed.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

3. Registration of Holders

3.1 Register of Holders

An up-to-date Register shall be kept in Singapore by the Trustee or the Registrar in such manner as may be required by any Relevant Laws, Regulations and Guidelines. The Register shall be maintained at all times whether the Trust is Listed or Unlisted. The Trustee or the Registrar shall record each Holder as the registered Holder of Units held by such Holder. In respect of Units which are deposited with the Depository where the Trust is Listed, the Trustee or the Registrar shall record the Depository as the registered holder of all such Units in issue in the Register. There shall be entered in the Register, in respect of each Holder or person who has ceased to be a Holder, the following information as soon as practicable after the Trustee or the Registrar receives the following relevant information:

- 3.1.1 the names and addresses of the Holders (and in the case where the registered Holder is the Depository, the name and address of the Depository);
- 3.1.2 the number of Units held by each Holder;
- 3.1.3 the date on which every such person entered in respect of the Units standing in his name became a Holder and where he became a Holder by virtue of an instrument of transfer a sufficient reference to enable the name and address of the transferor to be identified;
- 3.1.4 the date on which any transfer is registered and the name and address of the transferee; and
- 3.1.5 where applicable, the date on which a Holder ceases or ceased to be a Holder of Units.

Units may be issued to Joint Holders with no limit as to the number of persons who may be registered as Joint Holders.

3.2 Unlisted Units

For so long as the Trust is Unlisted, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Holder and, in the event of any discrepancy between the entries in the Register and the details appearing on any Statement of Holdings, the entries in the Register shall prevail unless the Holder proves, to the satisfaction of the Manager and the Trustee, that the Register is incorrect.

3.3 Listed Units

For so long as the Trust is Listed, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by the Depository and, in the event of any discrepancy between the entries in the Register and the confirmation notes issued by the Manager to the Depository under Clause 2.1, the entries in the Register shall prevail unless the Manager, the Trustee and the Depository mutually agree that the Register is incorrect. For so long as the Trust is Listed, the Manager shall have entered into the Depository Services Terms and Conditions for the Depository to maintain a record in the Depository Register of the Depositors having Units credited into their respective Securities Accounts and to record in the Depository Register the information referred to in Clause

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

3.1.1 to 3.1.5 in relation to each Depositor. Each Depositor named in the Depository Register shall, for such period as the Units are entered against his name in the Depository Register, be deemed to be the owner in respect of the number of Units entered against such Depositor's name in the Depository Register, and the Manager and the Trustee shall be entitled to rely on any and all such information in the Depository Register kept by the Depository. Subject to the terms of the Depository Services Terms and Conditions, two or more persons may be registered as Joint Depositors of Units. The entries in the Depository Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Depositor and, in the event of any discrepancy between the entries in the Depository Register and the details appearing in any contract statements, confirmation notes, statements of account balances and statements of transactions and accounts balances issued by the Depository, the entries in the Depository Register shall prevail unless the Depositor proves, to the satisfaction of the Manager, the Trustee and the Depository, that the Depository Register is incorrect.

3.4 Change of Name or Address

For so long as the Trust is Unlisted, any change of name or address on the part of any Holder shall forthwith be notified to the Manager in writing or in such other manner as the Manager may approve. If the Manager is satisfied with the change in name or address and that all formalities as may be required by the Manager have been complied with, the Manager shall notify the Trustee of the same and the Trustee shall alter or cause to be altered the Register accordingly.

3.5 Inspection of Register

3.5.1 The Trustee shall give the Manager and its representatives, or procure that the Manager and its representatives are given, access to the Register and all subsidiary documents and records relating thereto at all reasonable times during Business Hours and allow them to, or procure that they are allowed to, inspect and to take copies of the same with prior notice and without charge but neither the Manager nor its representatives shall be entitled to remove the same (save in the case where the Manager is required to produce the Register to a court of competent jurisdiction or otherwise as required by law) or to make any entries therein or alterations thereto. Except when the Register is closed in accordance with Clause 3.6, the Register shall during Business Hours (subject to such reasonable restrictions as the Trustee may impose but so that not less than two hours in each Business Day shall be allowed for inspection) be open to the inspection of any Holder without charge PROVIDED THAT if the Register is kept on magnetic tape or in accordance with some other mechanical or electrical system the provisions of this Clause 3.5 may be satisfied by the production of legible evidence of the contents of the Register.

3.5.2 If the Trustee is removed or retires in accordance with the provisions of Clause 23, the Trustee shall deliver to the Manager the Register and all subsidiary documents and records relating thereto. Thereafter, the Trustee shall not retain any copies of the aforesaid documents and records unless required by law.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

3.6 Closure of Register

Subject to the Relevant Laws, Regulations and Guidelines, the Register may be closed at such times and for such periods as the Trustee may from time to time determine, PROVIDED THAT it shall not be closed for more than 30 days in any one Year.

3.7 Transfer of Units

3.7.1 For so long as the Trust is Listed on the SGX-ST, transfers of Units between Depositors shall be effected electronically through the Depository making an appropriate entry in the Depository Register in respect of the Units that have been transferred in accordance with the Depository Requirements and the provisions of Clauses 3.7.2 to 3.7.6 shall not apply. The Manager shall be entitled to appoint the Depository to facilitate transactions of Units within the Depository and maintain records of Units of Depositors credited into Securities Accounts and to pay out of the Deposited Property all fees, costs and expenses of the Depository arising out of or in connection with such services to be provided by the Depository. Any transfer or dealing in Units on the SGX-ST between a Depositor and another person shall be transacted at a price agreed between the parties and settled in accordance with the Depository Requirements. The broker or other financial intermediary effecting any transfer or dealing in Units on the SGX-ST shall be deemed to be the agent duly authorised by any such Depositor or person on whose behalf the broker or intermediary is acting. In any case of transfer, all charges in relation to such transfer as may be imposed by the Manager and/or the Depository shall be borne by the Depositor who is the transferor. There are no restrictions as to the number of Units (whether Listed or Unlisted) which may be transferred by a transferor to a transferee. For so long as the Trust is Listed on the SGX-ST, in the case of a transfer of Units from a Securities Account into another Securities Account, the instrument of transfer (if applicable) shall be in such form as provided by the Depository and the transferor shall be deemed to remain the Depositor of the Units transferred until the relevant Units have been credited into the Securities Account of the transferee or transferred out of a Securities Account and registered in the Depository Register. If the Units are Listed on any other Recognised Stock Exchange, the transfer of Units shall be in accordance with the requirements of the relevant Recognised Stock Exchange. No transfer or purported transfer of a Listed Unit other than a transfer made in accordance with this Clause 3.7.1 shall entitle the transferee to be registered in respect thereof.

3.7.2 For so long as the Trust is Unlisted, every Holder, Joint-All Holder (with the concurrence of all the other Joint-All Holders) and Joint-Alternate Holder shall be entitled to transfer all or any of the Units held by him as follows:

- (i) a transfer of Units shall be effected by an instrument of transfer in writing in common form (or in such other form as the Manager and the Trustee may from time to time approve). The instrument of transfer need not be a deed;
- (ii) every instrument of transfer relating to Units must be signed by the transferor and the transferee and subject to the provisions of Clauses 3.7 to 3.13, the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof;

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

- (iii) all charges in relation to such transfer as may be imposed by the Trustee shall be borne by the Holder who is the transferor; and
- (iv) there are no restrictions as to the number of Units which may be transferred by a transferor to a transferee.

3.7.3 Every instrument of transfer must be duly stamped (if required by law) and left with the Manager for registration accompanied by any necessary declarations or other documents that may be required in consequence of any Relevant Laws, Regulations and Guidelines for the time being in force and by such evidence as the Manager may require to prove the title of the transferor or his right to transfer the Units.

3.7.4 For so long as the Trust is Unlisted, the Manager shall notify the Trustee of the date of each transfer effected in respect of Units and the name and address of the transferee and the Trustee shall alter or cause to be altered the Register accordingly.

3.7.5 For so long as the Trust is Unlisted, all instruments of transfer which shall be registered in respect of Units shall be forwarded by the Manager to, and retained by, the Trustee.

3.7.6 For so long as the Trust is Unlisted, a fee not exceeding S\$10 (or such other amount as the Manager and the Trustee may from time to time agree), which excludes any stamp duty or other governmental taxes or charges payable, may be charged by the Trustee for the registration of any transfer by an instrument of transfer of Units. Such fee must, if required by the Trustee, be paid before the registration of any transfer.

3.7.7 No transfer or purported transfer of a Unit other than a transfer made in accordance with this Clause 3.7 shall entitle the transferee to be registered in respect thereof; neither shall any notice of such transfer or purported transfer (other than as aforesaid) be entered upon the Register or the Depository Register.

3.7.8 The Trustee shall have the powers to rectify the Register if it appears to the Trustee that any of the particulars recorded in the Register (including those particulars set out in Clause 3.1) was wrongly entered or omitted.

3.8 Death of Holders

The executors or administrators of a deceased Holder of Units (not being a Joint Holder) shall be the only persons recognised by the Trustee and the Manager as having title to the Units. In case of the death of any one of the Joint Holders of Units and subject to any Relevant Laws, Regulations and Guidelines, the survivor or survivors, upon producing such evidence of death as the Manager and the Trustee may require, shall be the only person or persons recognised by the Trustee and the Manager as having any title to or interest in the Units, PROVIDED THAT where the sole survivor is a Minor, the Manager or the Trustee shall act only on the requests, applications or instructions of the surviving Minor after he attains the age of 18 years and shall not be obligated to act on the requests, applications or instructions of the heirs, executors or administrators of the deceased Joint Holder, and shall not be liable for any claims or demands whatsoever by the heirs, executors or administrators of the deceased Joint Holder, the Minor Joint Holder or the Minor Joint Holder's legal guardian in omitting to act on any request, application or instruction given by any of them (in the case of the Minor, before he attains the age of 18 years).

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

3.9 Body Corporate

A body corporate may be registered as a Holder or as one of the Joint Holders of Units. The successor in title of any corporate Holder which loses its legal entity by reason of a merger or amalgamation shall, subject to Clause 3.13, be the only person recognised by the Trustee and the Manager as having title to the Units of such corporate Holder. The registration of a body corporate as a Depositor or as one of two or more Joint Depositors of Units shall be in accordance with the Depository's terms and conditions for the operation of Securities Accounts. The successor in title of any corporate Depositor resulting from a merger or amalgamation shall, upon producing such evidence as may be required by the Manager and the Trustee of such succession, be the only person recognised by the Trustee and the Manager as having title to the Units.

3.10 Minors

A Minor shall not be registered as a sole Holder or as one of the Joint-Alternate Holders of Units but may be registered as one of the Joint-All Holders of Units, PROVIDED THAT at least one of the Joint-All Holders is a person who has attained the age of 18 years. In the event that one of the Joint-All Holders is a Minor, the Manager and the Trustee need only act on the instructions given by the other Joint-All Holder or Joint-All Holders who has or have attained the age of 18 years.

3.11 Transmission

3.11.1 Any person becoming entitled to a Unit in consequence of the death or bankruptcy of any sole Holder or being the survivor of Joint Holders may (subject as hereinafter provided), upon producing such evidence as to his title as the Trustee and the Manager shall think sufficient, either be registered himself as Holder of such Unit upon giving to the Manager notice in writing of his desire or transfer such Unit to some other person. The Manager shall notify the Trustee upon the receipt by it of any such notice and the Trustee shall alter or cause to be altered the Register accordingly. All the limitations, restrictions and provisions of this Deed relating to transfers shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer were a transfer executed by the Holder.

3.11.2 Any person becoming entitled to a Unit in consequence of death or bankruptcy as aforesaid may give a discharge for all moneys payable in respect of the Unit but he shall not be entitled in respect thereof to receive notices of or to attend or vote at any meeting of Holders until he shall have been registered as the Holder of such Unit in the Register or (as the case may be) the Depositor of such Unit in the Depository Register.

3.11.3 The Manager may retain any moneys payable in respect of any Unit of which any person is, under the provisions as to the transmission of Units hereinbefore contained, entitled to be registered as the Holder of or to transfer, until such person shall be registered as the Holder of such Units or shall duly transfer the same.

3.12 Payment of Fee

In respect of the registration of any probate, letter of administration, power of attorney, marriage or death certificate, stop notice, order of the court, deed poll or any other document relating to or affecting the title to any Unit, the Trustee may require from the

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

person applying for such registration a fee of S\$10 (or such other amount as the Trustee and the Manager may from time to time agree) together with a sum sufficient in the opinion of the Trustee to cover any stamp duty or other governmental taxes or charges that may be payable in connection with such registration. Such fee, if required by the Trustee, must be paid before the registration of any transfer.

3.13 Removal from Register

For so long as the Trust is Unlisted, upon the registration of a transfer in favour of the Manager, the name of the Holder shall be removed from the Register in respect of such Units but the name of the Manager need not be entered in the Register as the Holder of such Units. Such removal shall not be treated for any purposes of this Deed as a cancellation of the Units or as withdrawing the same from issue.

3.14 Registrar

The Trustee may, with the approval of the Manager, at any time or from time to time appoint an agent on its behalf to keep and maintain the Register. The fees and expenses of the Registrar (as may be agreed from time to time between the Manager, the Trustee and the Registrar) shall be payable out of the Deposited Property of the Trust.

5. Issue of Units

5.1 General

5.1.1 Subject to the provisions of this Deed and any Relevant Laws, Regulations and Guidelines, the Manager shall have the exclusive right to effect for the account of the Trust the issue of Units (whether on an initial issue of Units, a rights issue, an issue of new Units otherwise than by way of a rights issue or any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of any Securities) and any Units may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Manager may think fit PROVIDED THAT, in connection with the initial Listing of the Trust on the SGX-ST, the Manager shall not be bound to accept an application for Units so as to give rise to a holding of fewer than 1,000 Units (or such other number of Units as may be determined by the Manager) and for so long as the Trust is Listed, the Manager shall comply with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange or any other Relevant Laws, Regulations and Guidelines when issuing Units. No fractions of a Unit shall be issued (whether on an initial issue of Units, a rights issue, an issue of new Units otherwise than by way of a rights issue, any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of any Securities) and in issuing such number of Units as corresponding to the relevant subscription proceeds (if any), the Manager shall, in respect of each Holder's entitlement to Units, truncate but not round off to the nearest whole Unit and any balance arising from such truncation shall be retained as part of the Deposited Property. Issues of Units shall only be made on a Business Day unless and to the extent that the Manager, with the previous consent of the Trustee, otherwise prescribes. Issues of Units for cash shall be made at a price hereinafter prescribed.

5.1.2 The Manager may by deed supplemental hereto with the Trustee issue Classes of Units under such terms and conditions as may be contained therein.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

- 5.1.3** Preference Units may be issued subject to such limitation thereof as may be prescribed by the SGX-ST or any Recognised Stock Exchange upon which Units may be listed. Preference Holders shall have the same rights as ordinary Holders as regards receiving of notices, reports and balance sheets and attending meetings of Holders, and Preference Holders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Trust or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the distribution on the preference Units is more than six months in arrear.
- 5.1.4** The Manager has power to issue further preference capital ranking equally with, or in priority to, preference Units already issued.
- 5.1.5** The Trust may be Listed on the SGX-ST pursuant to Clause 9 and, if so Listed, the Units shall be traded on the SGX-ST and settled through the Depository. Units already in issue may be transferred or otherwise dealt with through Securities Accounts into which Units are credited in accordance with Clause 3.7.
- 5.1.6** For so long as the Trust is Listed, the Manager may issue Units PROVIDED THAT the Manager complies with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines in determining the Issue Price, including the Issue Price for a rights issue on a pro-rata basis to all existing Holders, the Issue Price of a Unit issued other than by way of a rights issue offered on a pro-rata basis to all existing Holders and the Issue Price for any reinvestment of distribution arrangement. If the Issue Price determined by the Manager is at a discount to the Market Price, the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines.

5.2 Issue Price of Units Prior to the Listing Date and the Initial Offering Price

- 5.2.1** Prior to the Listing Date, the Manager may, subject to the provision of this Deed and any Relevant Laws, Regulations and Guidelines, issue Units at any time to any person at any issue price per Unit ("**Issue Price**") and on such terms and conditions as the Manager may determine in its absolute discretion.
- 5.2.2** The issue of Units for the purpose of an initial public offering of Units shall be at an Issue Price to be determined by the Manager, or within such range to be determined by the Manager, on or before the Listing Date for such Units, PROVIDED THAT the Manager may cede the right to make such determination to any underwriter, issue manager or placement agent engaged in connection with the initial public offering. The actual Issue Price shall be determined by the Manager and/or such underwriter, issue manager or placement agent following a book building process or through such other method of price determination as may be decided upon and agreed by the relevant persons. The manner of and amount payable and any applicable refund on an application for Units during the initial public offering will be stated in the relevant Prospectus. Any such offer of Units for the purpose of an initial public offering may remain open for a period as may be agreed between the Manager and the Trustee, subject to any Relevant Laws, Regulations and Guidelines.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

5.2.3 Subject to Clause 5.2.2, the Manager may extend a discount to the Issue Price under an initial public offering of Units to any applicant who successfully applies to purchase more than such number of Units (as determined by the Manager in its absolute discretion) in a single application, subject to compliance with the Listing Rules and any Relevant Laws, Regulations and Guidelines.

5.2.4 The Manager may issue Units at the Issue Price determined in accordance with Clause 5.2.2 to the vendor of any Authorised Investments to be purchased by the Trust in conjunction with an initial public offering of Units, or to any person nominated by such vendor, in full or partial satisfaction of the consideration or any deferred purchase consideration payable by the Trust for such Authorised Investments.

5.3 Issue Price of Units when the Trust is Listed

5.3.1 Subject to Clauses 5.3.2, 5.3.3 and 15.1.4(iii) and to any Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Manager may issue Units on any Business Day at an Issue Price equal to the Market Price, without the prior approval of the Holders in a meeting of Holders. For this purpose “**Market Price**” shall mean:

- (i) the volume weighted average price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST, or such other Recognised Stock Exchange on which the Trust is Listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST or the relevant Recognised Stock Exchange) immediately preceding the relevant Business Day; or
- (ii) if the Manager believes that the calculation in Clause 5.3.1(i) does not provide a fair reflection of the market price of a Unit, an amount as determined by the Manager and the Trustee (after consultation with a Stockbroker approved by the Trustee), as being the fair market price of a Unit.

5.3.2 For so long as the Trust is Listed, the Manager may issue Units at an Issue Price other than calculated in accordance with Clause 5.3.1 without the prior approval of the Holders in a meeting of Holders PROVIDED THAT the Manager complies with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines in determining the Issue Price, including the Issue Price for a rights issue on a pro-rata basis to all existing Holders, the Issue Price of a Unit issued other than by way of a rights issue offered on a pro-rata basis to all existing Holders and the Issue Price for any reinvestment of distribution arrangement. If the Issue Price determined by the Manager is at a discount to the Market Price, the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

5.3.3 Where Units are issued as full or partial consideration for the acquisition of an Authorised Investment by the Trust in conjunction with an issue of Units to raise cash for the balance of the consideration for the said Authorised Investment (or part thereof) or to acquire other Authorised Investments in conjunction with the said Authorised Investment, the Manager shall have the discretion to determine that the Issue Price of a Unit so issued as full or partial consideration shall be the same as the Issue Price for the Units issued in conjunction with an issue of Units to raise cash for the aforesaid purposes.

5.4 Issue Price of Units where the Units are Suspended or the Trust is Delisted

Where the Units and/or the Trust become Unlisted after the Listing Date, the Manager may issue Units at an Issue Price equal to the Current Unit Value on the date of the issue of the Unit plus, if so determined by the Manager, an amount equal to the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the Manager for its own benefit and the amount of the adjustment shall be retained as part of the Deposited Property.

5.5 Units Issued on Unpaid or Partly Paid Basis

5.5.1 Capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in distributions.

5.5.2 In the event that the Manager issues Units on an unpaid or partly paid basis to any person, the provisions of Clauses 5.5.3 and 5.5.4 shall apply.

5.5.3 Calls on Units

- (i) The Manager may from time to time make calls upon the Holders in respect of any moneys unpaid on their Units but subject always to the terms of issue of such Units. A call may be made payable by instalments.
- (ii) Each Holder shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Trust at the time or times and place so specified the amount called on his Units. The Joint Holders of a Unit shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Manager may determine.
- (iii) If a sum called in respect of a Unit is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 10.0% per annum) as the Manager may determine but the Manager shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

- (iv) Any sum which by the terms of issue of a Unit becomes payable upon allotment or at any fixed date shall for all the purposes of this Deed be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of this Deed as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- (v) The Manager may on the issue of Units differentiate between the Holders as to the amount of calls to be paid and the times of payment.
- (vi) The Manager may if it thinks fit receive from any Holder willing to advance the same, all or any part of the moneys uncalled and unpaid upon the Units held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the Units in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Trust may pay interest at such rate (not exceeding 8.0% per annum) as the Holder paying such sum and the Manager may agree. Capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in profits.

5.5.4 Forfeiture and Lien

- (i) If a Holder fails to pay in full any call or instalment of a call on the due date for payment thereof, the Manager may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Trust by reason of such non-payment.
- (ii) The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the Units on which the call has been made will be liable to be forfeited.
- (iii) If the requirements of any such notice as aforesaid are not complied with, any Unit in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by the Manager. Such forfeiture shall include all distributions declared in respect of the forfeited Unit and not actually paid before forfeiture. The Manager may accept a surrender of any Unit liable to be forfeited hereunder.
- (iv) A Unit so forfeited shall become the property of the Trust and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Manager shall think fit and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Manager thinks fit. The Manager may, if necessary, authorise some person to transfer or effect the transfer of a forfeited Unit to any such other person as aforesaid.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

- (v) A Holder or Depositor whose Units have been forfeited or surrendered shall cease to be a holder in respect of the Units but shall notwithstanding the forfeiture or surrender remain liable to pay to the Trust all moneys which at the date of forfeiture or surrender were presently payable by him to the Trust in respect of the Units with interest thereon at 8.0% per annum (or such lower rate as the Manager may determine) from the date of forfeiture or surrender until payment and the Manager may at their absolute discretion enforce payment without any allowance for the value of the Units at that time of forfeiture or surrender or waive payment in whole or in part.
- (vi) The Trust shall have a first and paramount lien on every Unit (not being a fully paid Unit) and distribution from time to time declared in respect of such Units. Such lien shall be restricted to unpaid calls and instalments upon the specific Units in respect of which such moneys are due and unpaid and to such amounts as the Trust may be called upon by law to pay in respect of the Units of the member or deceased member. The Manager may waive any lien which has arisen and may resolve that any Unit shall for some limited period be exempt wholly or partially from the provisions of this Clause 5.5.4.
- (vii) The Trust may sell in such manner as the Manager thinks fit any Unit on which the Trust has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the Unit or the person entitled thereto by reason of his death or bankruptcy.
- (viii) The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities and any residue shall be paid to the person entitled to the Units at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale the Manager may authorise some person to transfer or effect the transfer of the Units sold to the purchaser.
- (ix) A statutory declaration in writing that the declarant is a director or secretary of the Manager and that a Unit has been duly forfeited or sold to satisfy a lien of the Trust on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Unit. Such declaration and the receipt of the Trust for the consideration (if any) given for the Unit on the sale, re-allotment or disposal thereof together (where the same be required) with the confirmation note delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the Unit and the Unit shall be registered in the name of the person to whom the Unit is sold, re-allotted or disposed of or, where such person is a Depositor, the Manager shall procure that his name be entered in the Depository Register in respect of the Unit so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the Unit be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the Unit.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

5.6 Units Issued to Persons Resident Outside Singapore

Subject to any Relevant Laws, Regulations and Guidelines, if a Unit is to be issued to a person resident outside Singapore, the Manager shall be entitled to charge an additional amount to the Issue Price thereof which is equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if such person had been resident in Singapore. In relation to any rights issue or (as the case may be) any preferential offering, the Manager may in its absolute discretion elect not to extend an offer of Units under the rights issue or preferential offering to those Holders whose addresses are outside Singapore after having regard to the relevant considerations including whether the Manager considers such election to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place. In the case of a rights issue, the provisional allocations of Units of such Holders may be offered for sale by the Manager (as the nominee and authorised agent of each such relevant Holder) in such manner and at such price as the Manager may determine. Where necessary, the Trustee shall have the discretion to impose such other terms and conditions in connection with the sale. The proceeds of any such sale if successful will be paid to the relevant Holders PROVIDED THAT, where the proceeds payable to any single Holder is less than S\$10, the Manager shall be entitled to retain such proceeds as part of the Deposited Property.

5.7 Updating of Securities Account

For so long as the Trust is Listed on the SGX-ST, the Manager shall cause the Depository to effect the book entry of Units issued to a Holder into such Holder's Securities Account no later than the tenth Business Day after the date on which those Units are agreed to be issued by the Manager.

5.8 Selling Price of Manager's Units

For so long as the Trust is Unlisted, each Unit of which the Manager is or is deemed to be the Holder may be sold or offered for sale by the Manager at a price equal to the total of the Current Unit Value of that Unit on the day of the sale or offer, the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the Manager for its own benefit and the amount of the adjustment shall be retained as part of the Deposited Property.

5.9 Discounts

In the event a Preliminary Charge is imposed on the issue of Units where the Trust is Unlisted, the Manager may on any day differentiate between applicants as to the amount of the Preliminary Charge to be imposed (within the permitted limit) on the Issue Price of Units issued to them respectively and likewise the Manager may on any day on the issue of Units allow any person or persons applying for larger numbers of Units than others a discount or discounts on the Issue Price of their Units on such basis or on such scale as the Manager may think fit (PROVIDED THAT no such discount shall exceed the Preliminary Charge included in the Issue Price of the Units concerned) and in any such case, the amount of such Preliminary Charge to be deducted from the proceeds of issue of such Units shall be reduced by the amount of the discount and accordingly the discount shall be borne by the Manager. Besides the number of Units purchased, the bases on which the Manager may differentiate between applicants as to the amount of the Preliminary Charge to be included in the Issue Price of their Units depends on several other factors, including but not limited to, the performance of and the marketing strategy adopted by the Manager for the Trust.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

5.10 Statement of Dealings

The Manager shall furnish to the Trustee from time to time on demand a statement of all issues of Units and of the terms on which the same are issued and of any Investments which it determines to direct to be purchased for account of the Trust, and also a statement of any Investments which in accordance with the powers hereinafter contained it determines to direct to be sold for account of the Trust, and any other information which may be necessary so that the Trustee may be in a position to ascertain at any moment the Net Asset Value of the Deposited Property. The Trustee shall be entitled to require that the Manager refuse to issue a Unit if at any time the Trustee is of the opinion that the provisions of this Clause 5 in regard to the issue of Units are being infringed; but nothing in this Clause 5.10 or elsewhere in this Deed contained shall impose upon the Trustee any responsibility for satisfying itself before issuing Units that the Manager has complied with the conditions of this Clause 5.

5.11 Suspension of Issue

The Manager or the Trustee may, with the prior written approval of the other and subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange (while the Trust is Listed), suspend the issue of Units during any of the following events:

- 5.11.1 any period when the SGX-ST or any other relevant Recognised Stock Exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;
- 5.11.2 the existence of any state of affairs which, in the opinion of the Manager or (as the case may be) the Trustee might seriously prejudice the interests of the Holders as a whole or of the Deposited Property;
- 5.11.3 any breakdown in the means of communication normally employed in determining the price of any Investments or (if relevant) the current price thereof on the SGX-ST or any other relevant Recognised Stock Exchange or when for any reason the prices of any Investments cannot be promptly and accurately ascertained;
- 5.11.4 any period when remittance of money which will or may be involved in the realisation of any Investments or in the payment for any Investments cannot, in the opinion of the Manager, be carried out at normal rates of exchange;
- 5.11.5 any period where the issuance of Units is suspended pursuant to any order or direction issued by the Authority or any other relevant regulatory authority;
- 5.11.6 in relation to any general meeting of the Holders, any 72 hour period before such general meeting or any adjournment thereof; or
- 5.11.7 when the business operations of the Manager or the Trustee in relation to the operation of the Trust are substantially interrupted or closed as a result of, or arising from nationalisation, expropriation, currency restrictions, pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes, nuclear fusion or fission or acts of God.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

Such suspension shall take effect forthwith upon the declaration in writing thereof by the Manager or (as the case may be) the Trustee and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this Clause 5.11 shall exist upon the declaration in writing thereof by the Manager or (as the case may be) the Trustee. In the event of any suspension while the Trust is Listed, the Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST or the relevant Recognised Stock Exchange.

7. Repurchase and Redemption of Units by Manager

7.1 Repurchase and Redemption Restrictions when Trust is Unlisted

When the Trust is Unlisted, the Manager may, but is not obliged to, repurchase or cause the redemption of Units more than once a year in accordance with the Property Funds Appendix and a Holder has no right to request for the repurchase or redemption of Units more than once a year. Where the Manager offers to repurchase or cause the redemption of Units issued when the Trust is Unlisted and, upon acceptance of such an offer, the Manager shall do so at the Repurchase Price calculated in accordance with Clause 7.3.1.

7.2 Repurchase and Redemption Restrictions when Trust is Listed

7.2.1 General

The Manager is not obliged to repurchase or cause the redemption of Units so long as the Trust is Listed. Where the Manager offers to repurchase or cause the redemption of Units issued when the Trust is Listed and, upon acceptance of such an offer, the Manager shall do so at the Repurchase Price calculated in accordance with Clause 7.3.2. In the event the Manager decides to repurchase or cause the redemption of Units, such repurchase or redemption must comply with the Relevant Laws, Regulations and Guidelines (including but not limited to the Listing Rules and/or the listing rules of any other relevant Recognised Stock Exchange and the Property Funds Appendix. The Manager may, subject to the Relevant Laws, Regulations and Guidelines (including but not limited to the Listing Rules and/or the listing rules of any other relevant Recognised Stock Exchange and the Property Funds Appendix) suspend the repurchase or redemption of Units for any period when the issue of Units is suspended pursuant to Clause 5.11.

7.2.2 Holders' Approval

For so long as the Trust is Listed on the SGX-ST, the Manager may repurchase or otherwise acquire its issued Units on such terms and in such manner as the Manager may from time to time think fit if it has obtained the prior approval of Holders in general meeting by passing an Ordinary Resolution (the "**Unit Buy-back Mandate**"), in accordance with the provisions of this Deed but subject thereto and to other requirements of the Relevant Laws, Regulations and Guidelines.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

7.2.3 Maximum Limit

The total number of Units which may be repurchased 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 Holders.

7.2.4 Duration of Authority

Repurchases of Units may be made during the Relevant Period. “**Relevant Period**” is the period commencing from the date of the general meeting at which a Unit Buy-back Mandate is sought and the resolution relating to the Unit Buy-back Mandate is passed, and expiring on:

- (i) the date the next Annual General Meeting is or is required by the Relevant Laws, Regulations and Guidelines or this Deed to be held, whichever is earlier; or
- (ii) the date on which the repurchases of Units by the Manager pursuant to the Unit Buy-back Mandate are carried out to the full extent mandated,

whichever is earlier.

For the avoidance of doubt, the authority conferred on the Manager by the Unit Buy-back Mandate to repurchase Units may be renewed at the next general meeting.

7.3 Repurchase Price

For the purposes of Clauses 7.1 and 7.2, the Repurchase Price shall be:

7.3.1 in respect of the repurchase or redemption of Units prior to the Listing Date, an amount determined by the Manager in its absolute discretion. Such amount may be less than, equal to or more than the Current Unit Value of the relevant Units on the day the Manager’s offer to repurchase or cause the redemption of Units is accepted; and

7.3.2 in respect of the repurchase or redemption of Units after the Listing Date (whether or not the Trust is Listed or has been Unlisted at the time the Manager’s offer to repurchase or redeem Units is made), unless prohibited by the Relevant Laws, Regulations and Guidelines, the Current Unit Value of the relevant Units on the day the request is accepted by the Manager less the Repurchase Charge and less an amount to adjust the resultant total downwards to the nearest whole cent.

The Repurchase Charge shall be retained by the Manager for its own benefit and the adjustment shall be retained as part of the Deposited Property. The Manager may on any day differentiate between Holders as to the amount of the Repurchase Charge to be included (within the permitted limit) in the Repurchase Price of Units to be repurchased by the Manager from them respectively. The bases on which the Manager may make any differentiation as between Holders shall include, without limitation, Holders with large holdings of Units and Holders who have opted for a distribution reinvestment arrangement. Once a request for repurchase or redemption is given, it cannot be revoked without the

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

consent of the Manager. The Manager may, subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange, suspend the repurchase or redemption of Units during any period when the issue of Units is suspended pursuant to Clause 5.11.

7.4 Repurchase or Redemption Options of Manager

In the event the Manager decides to make any offer to repurchase or redeem Units, the Manager shall have the following options:

- 7.4.1** to effect a repurchase out of its own funds (upon which repurchase the Manager shall be entitled to the Units concerned and to the benefit of the Units concerned);
- 7.4.2** to procure some other person to purchase the Units and such purchase shall be deemed to be a repurchase by the Manager within the meaning of this Clause 7; or
- 7.4.3** PROVIDED THAT there is sufficient Cash in the Trust, and subject to compliance with the Relevant Laws, Regulations and Guidelines, to request and cause the Trustee to redeem the Units out of the assets of the Trust by paying from the Deposited Property a sum sufficient to satisfy the Repurchase Price and the Repurchase Charge (if any) of the Units. The Trustee shall only comply if, in the opinion of the Trustee, sufficient Cash would be retained in the Deposited Property after the release of Cash necessary to comply with the redemption notice to meet other Liabilities, including but without limiting the generality thereof, the Property Expenses and the remuneration due to the Trustee and the Manager under this Deed. Should the Trustee advise the Manager that, in the opinion of the Trustee, sufficient Cash would not be retained in the Deposited Property to meet other Liabilities if the Trustee were to release the funds necessary to comply with any redemption notice, then the Manager may, at its absolute discretion, request the Trustee to sell, mortgage or otherwise deal with the Investments or borrow to raise sufficient Cash to redeem the Units pursuant to this Clause 7.4.3.

7.5 Amendments to Register

Upon delivery to the Trustee of a written statement signed by or on behalf of the Manager that all the Units or a specified number of Units held by a Holder have been repurchased by the Manager or have been purchased by another person or have been redeemed, the Trustee shall remove or procure the removal of the name of the Holder from the Register in respect of all or (as the case may be) such number of Units.

7.6 Redeemed Units are Cancelled

Units which are redeemed shall thereupon be cancelled and shall not thereafter be reissued but this Clause 7.6 shall not limit or restrict the right of the Manager to cause the creation and/or issue of further or other Units.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

7.7 Manner of Repurchase

Subject always to the requirements of the Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed on the SGX-ST, the Manager may:

- 7.7.1 purchase or acquire Units on a securities exchange (“**Market Purchase**”); or
- 7.7.2 make an offer to repurchase Units, otherwise than on a securities exchange and by way of an “off-market” acquisition of the Units on an “equal access scheme” (as defined below) (“**Off-Market Purchase**”),

(each a form of “**Unit Buy-back**”), and to deal with any of the Units so purchased or acquired in accordance with this Clause 7.

For the purpose of this Clause 7, an equal access scheme is a scheme which satisfies the following criteria:

- (i) the offers under the scheme are to be made to every person who holds Units to purchase or acquire the same percentage of their Units;
- (ii) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers are the same except that there shall be disregarded:
 - (a) differences in consideration attributable to the fact that the offers relate to Units with different accrued distribution entitlements;
 - (b) differences in consideration attributable to the fact that the offers relate to Units with different amounts remaining unpaid; and

differences in the offers introduced solely to ensure that each Holder is left with a whole number of Units.

7.8 Procedure for Repurchase of Units via a Market Purchase

For so long as the Trust is Listed on the SGX-ST, where Units are repurchased via a Market Purchase, the notice of general meeting specifying the intention to propose a resolution to authorise a Market Purchase shall:

- 7.8.1 specify the maximum number of Units or the maximum percentage of Units authorised to be acquired or purchased;
- 7.8.2 determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person’s discretion or opinion);

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

7.8.3 specify a date on which the authority is to expire, being a date that must not be later than the date on which the next Annual General Meeting is, or is required by law to be, held, whichever is earlier; and

7.8.4 specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

The resolution authorising a Market Purchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 7.8.1 to 7.8.3.

7.8.5 The authority for a Market Purchase may, from time to time, be varied or revoked by the Holders in a general meeting. A resolution to confer or vary the authority for a Market Purchase may determine the maximum price for purchase or acquisition by:

- (i) specifying a particular sum; or
- (ii) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

7.9 Procedure for Repurchase of Units via an Off-Market Purchase

7.9.1 For so long as the Trust is Listed on the SGX-ST, where Units are repurchased via an Off-Market Purchase, the notice of general meeting specifying the intention to propose a resolution to authorise an Off-Market Purchase shall:

- (i) specify the maximum number of Units or the maximum percentage of Units authorised to be acquired or purchased;
- (ii) determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion);
- (iii) specify a date on which the authority is to expire, being a date that must not be later than the date on which the next Annual General Meeting is, or is required by law to be, held, whichever is earlier; and
- (iv) specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

The resolution authorising an Off-Market Purchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 7.9.1(i) to 7.9.1(iii).

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

The authority for an Off-Market Purchase may, from time to time, be varied or revoked by the Holders in a general meeting. A resolution to confer or vary the authority for an Off-Market Purchase may determine the maximum price for purchase or acquisition by:

- (a) specifying a particular sum; or
- (b) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

7.9.2 For so long as the Trust is Listed on the SGX-ST, in the event that the Manager decides to make any offer to repurchase Units via an Off-Market Purchase, the Manager will send an offer notice to Holders. Holders wishing to take up the offer will be asked to respond by sending a request in writing for the repurchase of their Units. At such request in writing of a Holder (or, in the case of Joint Holders, all the Joint Holders), the Manager will repurchase, in accordance with this Clause 7, such of the Units entered against his name in the Register or the Depository Register (as the case may be) as are required by the Holder to be repurchased.

7.10 Reporting Requirements

Subject to the Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed on the SGX-ST, the Manager shall:

- 7.10.1** notify the SGX-ST (in the form of an announcement on the SGX-ST) of all purchases of Units in accordance with the Listing Rules and in such form and with such details as the SGX-ST may prescribe; and
- 7.10.2** make an announcement on the SGX-ST at the same time it notifies the SGX-ST of any purchase of Units pursuant to any Unit Buy-back Mandate, that the board of directors of the Manager is satisfied on reasonable grounds that, immediately after the purchase of Units, the Manager will be able to fulfil, from the Deposited Property, the Liabilities as these liabilities fall due.”

THE RIGHTS OF UNITHOLDERS IN RESPECT OF DISTRIBUTIONS

“11. Distributions

11.1 Distribution of Income

Subject to this Clause 11 and the Relevant Laws, Regulations and Guidelines, the Manager shall make regular distributions of all (or such lower percentage as determined by the Manager in its absolute discretion) of:

- 11.1.1** the Net Taxable Income (excluding gains from sale of Authorised Investments determined by the IRAS to be trading gains); and
- 11.1.2** the Net Tax-Exempt Income,

to Holders at quarterly, half-yearly or yearly intervals or at such other intervals as the Manager shall decide in its absolute discretion.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

The Manager shall further procure that any Special Purpose Vehicle owned by the Trust will similarly distribute all (or such lower percentage as determined by the Manager in its absolute discretion) of their respective income and gains that are legally available for distribution.

11.2 Manager to Collect

The Manager must collect and pay to the Trustee and the Trustee must receive all moneys, rights and property paid or receivable in respect of the Trust.

11.3 Determination of Income and Reserves

The Manager (acting after consulting the Auditors) is to determine whether any item is income in nature or capital in nature and the extent to which reserves or provisions need to be made. If the Manager determines any item to be capital in nature, the Manager may apply it to any item in the balance sheet of the Trust including, without limitation, Holders' funds and Investments. This Clause 11.3 applies to distributions and to books of account.

11.4 Frequency of Distribution of Income

The Manager will endeavour to ensure that for each Financial Year there is at least one distribution and the last distribution covers the period up to the last day of the Financial Year. For each Distribution Period the Manager will calculate, and the Trustee will distribute, each Holder's Distribution Entitlement, in accordance with the provisions of this Clause 11.

11.5 Distribution Entitlement

11.5.1 "Distributable Amount" for a Distribution Period is to be determined in accordance with the following formula:

$$DA = NTI + I + E + C$$

Where:

"DA" is the Distributable Amount;

"NTI" (for any Distribution Period prior to the Listing Date) is the Net Taxable Income determined by the Manager; and

(for any Distribution Period after the Listing Date) is the Net Taxable Income for the Distribution Period determined by the Manager less an amount equal to so much of the Net Taxable Income for that Distribution Period directly assessed to Tax on the Trustee and in respect of which Tax has been paid or is payable by the Trustee;

"I" (for any Distribution Period prior to the Listing Date) is so much of the amount (which may be a negative amount) by which Net Taxable Income as agreed between the Manager and the IRAS for any Distribution Period preceding the Distribution Period for which the Distributable Amount is being calculated, exceeds or is less than the Net Taxable Income for that preceding Distribution Period distributed pursuant to this Clause as NTI, but so that the amount is only taken into account in

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

determining the Distributable Amount for the Distribution Period prior to the Listing Date and ending immediately after the agreement between the IRAS and the Manager is reached; and

(for any Distribution Period after the Listing Date) is so much of the amount (which may be a negative amount) by which Net Taxable Income as agreed between the Manager and the IRAS for any Financial Year preceding the Financial Year in which the Distribution Period occurs (less an amount equal to so much of the Net Taxable Income for that Distribution Period directly assessed to Tax on the Trustee and in respect of which Tax has been paid or is payable by the Trustee), exceeds or is less than the Net Taxable Income for that preceding Financial Year distributed pursuant to this Clause 11 as NTI but so that the amount is only taken into account in determining the Distributable Amount for the Distribution Period ending immediately after the agreement between the IRAS and the Manager is reached;

“E” is any amount of Net Tax-Exempt Income which the Manager has determined is to be distributed; and

“C” is any additional amount (including capital), which may be a negative amount, which the Manager has determined is to be distributed or if thought fit by the Manager, to be transferred to or from an undistributed income reserve account.

11.5.2 Each Holder’s Distribution Entitlement is to be determined in accordance with the following formula:

$$DE = DA \times \frac{UH}{UI}$$

where:

“DE” is the Distribution Entitlement;

“DA” is the Distributable Amount;

“UH” is the number of Units held by the Holder, at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent he is entitled to participate in the Distributable Amount; and

“UI” is the number of Units in issue in the Trust at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent the Holder is entitled to participate in the Distributable Amount.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

11.6 Distribution of Entitlement

- 11.6.1** The Trustee must in respect of each Distribution Period pay to each Holder, his Distribution Entitlement on or before the Distribution Date for the Distribution Period.
- 11.6.2** For the purpose of identifying the persons who are entitled to the Distribution Entitlement for a Distribution Period, the persons who are Holders on the Record Date for that Distribution Period have an absolute, vested and indefeasible interest in their respective Distribution Entitlements for that Distribution Period.
- 11.6.3** The Manager and the Trustee must deduct from each Holder's Distribution Entitlement all amounts which:
- (i) are necessary to avoid distributing a fraction of a cent;
 - (ii) the Manager determines not to be practical to distribute on a Distribution Date;
 - (iii) equal any amount of Tax which has been paid or which the Manager determines is or may be payable by the Trustee or the Manager in respect of the portion of the income of the Trust attributable to such Holder or the amount of the distribution otherwise distributable to such Holder;
 - (iv) are required to be deducted by law, the Tax Ruling or this Deed; or
 - (v) are payable by the Holder to the Trustee or the Manager.
- 11.6.4** The Manager must direct the Trustee as to how any sum so retained is to be applied and/or paid.

11.7 Holder Notification

Each Holder must as and when required by the Manager, provide such information as to his place of residence for taxation purposes as the Manager may from time to time determine.

11.8 Composition of Distribution

Following the end of each Financial Year, the Manager must notify each Holder of:

- 11.8.1** the extent to which a distribution under this Clause 11 is composed of, and the types of, income and capital (which shall be determined by the Manager in its absolute discretion); and
- 11.8.2** any amounts deducted under 11.6.3(iii) and 11.6.3(iv).

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

11.9 Tax Declaration Forms and Tax Distribution Vouchers

11.9.1 The Manager shall, where necessary, in respect of each Distribution Period before the Distributable Amounts are paid out, send or procure to send to each Holder, a tax declaration form for the purpose of each Holder declaring his tax status. The Manager and the Trustee may rely on any representation made by a Holder as to his tax status made on each relevant tax declaration form returned to the Manager (or its agent) or the Trustee to determine whether or not to deduct Tax from the Distributable Amount. If a Holder fails to make any such declaration in time for a distribution, the Manager and the Trustee shall proceed to deduct the appropriate amount of Tax from the Distributable Amount due to that Holder.

11.9.2 On a distribution having been made, the Trustee shall, where necessary, issue to each Holder a tax distribution voucher prepared by the Manager in a form approved by the Trustee and the IRAS. In the case of any distribution made or on termination of the Trust, each tax distribution voucher shall show what proportion of the distribution represents capital, what proportion represents income exempt from Singapore income tax or income subject to Singapore income tax and what proportion represents the portion of any tax payable by the Trustee on income and gains attributable to the Holders.

11.10 Categories and Sources of Income

11.10.1 For any category or source of income the Manager may keep separate accounts and allocate the income from any category or source to any Holder.

11.10.2 The Manager may cause the distribution of any amount recorded in an account or record kept pursuant to Clause 11.10.1 before the distribution of any other amount.

11.11 Distribution Policy

The Manager and the Trustee acknowledge that subject to Clause 11.1, the Trust's distribution policy on and after the Listing Date is to distribute as much of its income as practicable.

11.12 Distribution Reinvestment Arrangements

The Manager may advise Holders, from time to time in writing that Holders, may, on terms as permitted by the Property Funds Appendix, the Listing Rules or the listing rules of the relevant Recognised Stock Exchange and all other Relevant Laws, Regulations and Guidelines and as specified in the notice, participate in an arrangement under which Holders may request that all or a proportion of specified distributions due to them be applied to the issue of further Units PROVIDED THAT the Issue Price for any such Units to be issued shall be the Issue Price determined in accordance with Clause 5.3 if the Units are Listed and Clause 5.4 if the Units are Unlisted. The Units so issued shall be deemed to be purchased by such Holders. The Manager shall be entitled to amend the terms of any such distribution reinvestment arrangements from time to time by notice in writing to Holders.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

11.13 Capitalisation of Undistributed Distributable Amount

Prior to the Listing Date, the Manager, with the agreement of all Holders, may elect not to distribute in accordance with Clause 11.4 and in lieu of such distribution capitalise the undistributed Distributable Amount.

11.14 Distribution of Capital and Unrealised Gains

The Manager may with the consent of the Trustee (which consent shall not be unreasonably withheld) cause the distribution of an amount which represents:

11.14.1 part of the capital of the Trust and which the Manager reasonably determines to be in excess of the financial needs of the Trust; or

11.14.2 part or all the unrealised gains (including any revaluation gains) due to the increase in the capital value of the Real Estate held by the Trust.

12. Place and Conditions of Payment

12.1 Place and Conditions of Payment

Any moneys payable by the Trustee to any Holder on the relevant Record Date under the provisions of this Deed shall be paid in the case of Holders who do not hold their Units jointly with any other person, by cheque or warrant (if applicable) sent through the post to the registered address of such Holder or, in the case of Joint Holders, to the registered address of the Joint Holder who is first named in the Register or to the registered address of any other of the Joint Holders as may be authorised by all of them. Every such cheque or warrant shall be made payable to the order of the person to whom it is delivered or sent and payment of the cheque or warrant by the banker upon whom it is drawn shall be a satisfaction of the moneys payable and shall be a good discharge to the Trustee. Where the Trustee receives the necessary authority in such form as the Trustee shall consider sufficient, the Trustee shall pay the amount due to any Holder to his bankers or other agent and the receipt of such an amount by such bankers or other agent shall be a good discharge therefor. Any moneys payable by the Trustee to any Depositor appearing in the Depository Register on the relevant Record Date under the provisions of this Deed shall be paid, in the case of such Depositor's Units credited into a Securities Account, by transferring such moneys into the Depository's bank account (as notified to the Manager and the Trustee) and by the Trustee causing the Depository to make payment thereof to such Depositor by cheque sent through the post to the address of such Depositor on record with the Depository or, in the case of Joint Depositors, to the registered address of the Joint Depositors on record with the Depository or by any other form as may be agreed between the Manager and the Depository. Payment of the moneys by the Trustee to the Depository shall be a satisfaction of the moneys payable to the relevant Depositor and shall be a good discharge to the Trustee. Any charges payable to the Depository for the distribution of moneys to Depositors under this Deed shall be borne out of the Deposited Property.

No amount payable to any Holder or Depositor shall bear interest.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

12.2 Deductions

Before any payment is made to a Holder, there shall be deducted such amounts as any law of Singapore or any law of any other country in which such payment is made may require or allow in respect of any income or other taxes, charges or assessments whatsoever and there may also be deducted the amount of any stamp duties or other government taxes or charges payable by the Manager or (as the case may be) the Trustee for which the Manager or (as the case may be) the Trustee may be made liable in respect of or in connection therewith.

There may also be deducted from such payment the amount of any stamp duties or other governmental taxes or charges payable by the Manager or, as the case may be, the Trustee or for which either of them may be made liable in respect of such payment or any documents signed by it in connection therewith.

Neither the Manager or the Trustee shall be liable to account to a Holder for any payment made or suffered to be made by the Manager or (as the case may be) the Trustee in good faith and in the absence of fraud, gross negligence, wilful default, a breach of this Deed or a breach of trust (in the case of the Trustee) to any duly empowered fiscal authority of Singapore or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under this Deed notwithstanding that any such payments ought not to be, or need not have been, made or suffered to be made.

12.3 Receipt of Holders

The receipt of the Holder or (as the case may be) the Depository on behalf of the Depositors, for any amounts payable in respect of Units shall be a good discharge to the Manager or (as the case may be) the Trustee and if several persons are registered as Joint Holders or, in consequence of the death of a Holder, are entitled to be so registered, any one of them may give effectual receipts for any such amounts.

12.4 Unclaimed Moneys

Any moneys payable to a Holder under this Deed which remain unclaimed after a period of 12 months shall be accumulated in a special account (the “**Unclaimed Moneys Account**”) from which the Trustee may, from time to time, make payments to a Holder claiming any such moneys. Subject to Clause 26, the Trustee shall cause such sums which represent moneys remaining in the Unclaimed Moneys Account for five years after the date for payment of such moneys into the Unclaimed Moneys Account and interest, if any, earned thereon to be paid into court after deducting from such sum all fees, costs and expenses incurred in relation to such payment into court PROVIDED THAT if the said moneys are insufficient to meet all such fees, costs and expenses, the Trustee shall be entitled to have recourse to the Deposited Property.”

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

THE RIGHTS OF UNITHOLDERS IN RESPECT OF VOTING

“13. Voting Rights in Respect of the Deposited Property

13.1 Manager’s Right to Determine How Voting Rights are Exercised

Except as otherwise expressly provided and subject to Clause 10.4 relating to Special Purpose Vehicles and Treasury Companies owned by the Trustee, all rights of voting conferred by any of the Deposited Property shall be exercised in such manner as the Manager may in writing direct and the Manager may refrain at its own discretion from the exercise of any voting rights and no Holder shall have any right to interfere or complain.

The Trustee shall, upon written request by and at the expense of the Manager from time to time, execute and deliver or cause to be executed or delivered to the Manager or its nominees such powers of attorney or proxies as the Manager may reasonably require, in such name or names as the Manager may request, authorising such attorneys and proxies to vote, consent or otherwise act in respect of all or any part of the Deposited Property.

The Manager shall be entitled to exercise the said rights in what the Manager may consider to be the best interests of the Holders, but neither the Manager nor the Trustee shall be under any liability or responsibility in respect of the management of the Investment in question nor in respect of any vote, action or consent given or taken or not given or not taken by the Manager whether in person or by proxy, and neither the Trustee nor the Manager nor the holder of any such proxy or power of attorney shall incur any liability or responsibility by reason of any error of law or mistake of fact or any matter or thing done or omitted to be done or approval voted or given or withheld by the Trustee or the Manager or by the holder of such proxy or power of attorney under this Deed; and the Trustee shall be under no obligation to anyone and shall not incur any liability with respect to any action taken or caused to be taken or omitted to be taken by the Manager or by any such proxy or attorney.

The Manager shall in respect of its having exercised or not having exercised any such right of voting, action or consent keep a written record of such exercise or non-exercise and shall at all reasonable times during Business Hours give the Trustee and any Holder reasonable access to such record and allow the Trustee and any Holder to inspect such record but neither the Trustee nor any Holder shall be entitled to remove the same or to make any entries therein or alterations thereto, PROVIDED ALWAYS THAT if such record is kept on magnetic tape or in accordance with some other mechanical or electrical system the provisions of this Clause 13.1 may be satisfied by the production of legible evidence of the contents of such record.

13.2 Construction of Voting Rights

The phrase “**rights of voting**” or the word “**vote**” used in this Clause 13 shall be deemed to include not only a vote at a meeting but any consent to or approval of any arrangement, scheme or resolution or any alteration in or abandonment of any rights attaching to any part of the Deposited Property and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.

30. Meetings of Holders

The provisions set out in Schedule 1 relating to meetings of Holders shall have effect as if the same were included herein.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

Schedule 1

MEETINGS OF HOLDERS

1. A general meeting to be called the “Annual General Meeting” shall, in addition to any other meeting of Holders, be held once in every calendar year and not more than 15 months after the holding of the last preceding Annual General Meeting, but so long as the Trust holds its first Annual General Meeting within 18 months of its constitution, the Trust need not hold it in the year of its constitution or in the following year, save for the Annual General Meeting in respect of the Financial Year ending 31 December 2022, which shall be held within four months from the end of the Trust’s Financial Year ending 31 December 2022). Save as set out above and in Clause 21, all Annual General Meetings may be held at such time and place as may be determined by the Trustee and the Manager. All other general meetings shall be called Extraordinary General Meetings.
2. The Trustee or the Manager (and the Manager shall at the request in writing of not less than 50 Holders or Holders representing not less than 10.0% of the issued Units of the Trust) may at any time convene a meeting of Holders at such time and place (subject as hereinafter provided) as may be thought fit and the following provisions of this Schedule shall apply thereto. Any such meeting convened shall be held in Singapore.
3. Prior to the Listing Date, the Manager or (being a Holder) any Associate thereof shall be entitled to receive notice of and attend at any such meeting and shall be entitled to vote or be counted in the quorum thereof at a meeting convened to consider a matter in respect of which the Manager or any Associate has a material interest.
4. After the Listing Date, the Manager or (being a Holder), the controlling shareholders (as defined in the Listing Rules) of the Manager and any Associate thereof shall be entitled to receive notice of and attend at any such meeting but shall subject to paragraph 5(ii) of this Schedule, not be entitled to vote or be counted in the quorum thereof at a meeting convened to consider a matter in respect of which the relevant controlling shareholders of the Manager or any Associate has a material interest (including, for the avoidance of doubt, interested person transactions (as defined in the Listing Rules and/or the listing rules of other relevant Recognised Stock Exchange) and interested party transactions (as defined in the Property Funds Appendix) and accordingly for the purposes of the following provisions of this Schedule, Units held or deemed to be held by the Manager or any Associate shall not be regarded as being in issue under such circumstances. Any director, the secretary and any solicitor of the Manager, the Trustee and directors and any authorised official and any solicitor of the Trustee shall be entitled to attend and be heard at any such meeting.
5. A meeting of Holders duly convened and held in accordance with the provisions of this Schedule shall be competent by:
 - (i) Extraordinary Resolution to:
 - (a) sanction any modification, alteration or addition to the provisions of this Deed which shall be agreed by the Trustee and the Manager as provided in Clause 28 of this Deed;

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

- (b) sanction a supplemental deed increasing the maximum permitted limit or any change in the structure of the Management Fee (including the Base Fee and the Performance Fee), the Acquisition Fee, the Divestment Fee and the Trustee's remuneration as provided in Clause 15 of this Deed;
 - (c) remove the Auditors and appoint other Auditors in their place as provided in Clause 22.3 of this Deed;
 - (d) remove the Trustee as provided in Clause 23.3.4 of this Deed;
 - (e) direct the Trustee to take any action pursuant to Section 295 of the Securities and Futures Act (relating to the winding up of the Trust); and
 - (f) delist the Trust after it has been Listed as provided in Clause 9.2 of this Deed;
- (ii) a resolution duly proposed and passed as such by a simple majority of Holders present and voting at a general meeting, with no Holder being disenfranchised, to remove the Manager as provided in Clause 24.1.4 of this Deed,

and shall have such further or other powers under such terms and conditions as may be determined by the Manager with the prior written approval of the Trustee. Any decision to be made by resolution of the Holders, other than those specified in this paragraph 5(i) and (ii), shall be made by Ordinary Resolution, unless an Extraordinary Resolution is required by the Securities and Futures Act, the Code or the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange.

- 5.1 Subject to paragraph 5.2 below, at least two days' notice (in the case of Holders' meetings prior to the Listing Date) or 14 days' notice (in the case of Holders' meetings after the Listing Date to pass an Ordinary Resolution) or 21 days' notice (in the case of Holders' meetings after the Listing Date to pass an Extraordinary Resolution) (not inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Holders in manner provided in this Deed. The notice shall specify the place, day and hour of meeting and the terms of the resolutions to be proposed, and each such notice shall where required by any Relevant Laws, Regulations and Guidelines be given by advertisement in the daily press and in writing to each stock exchange on which the Trust is listed. A copy of the notice shall be sent by post to the Trustee unless the meeting shall be convened by the Trustee. Any accidental omission to give notice to or the non-receipt of notice by any of the Holders shall not invalidate the proceedings at any meeting.
- 5.2 Notwithstanding the provisions of paragraph 5.1 above, a meeting of Holders convened by the Trustee for the purposes of the winding up of the Trust pursuant to the Securities and Futures Act shall comply with the relevant requirements of the Securities and Futures Act.
6. The quorum shall be not less than two Holders (whether present in person or by proxy) together holding or representing one-tenth in value of all the Units for the time being in issue. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

7. If within half an hour from the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to such day and time being not less than 15 days thereafter and to such place as shall be determined for the purpose by the Chairman of the meeting. Notice of the adjourned meeting shall be given in the same manner as for an original meeting. Such notice shall state that the Holders present at the adjourned meeting whatever their number and the value of the Units held by them will form a quorum thereat.

At any such adjourned meeting the Holders present in person or by proxy thereat shall be a quorum.

8. A person nominated in writing by the Trustee shall preside at every meeting and if no such person is nominated or if at any meeting the person nominated shall not be present within fifteen minutes after the time appointed for holding the meeting, the Holders present shall choose one of their number to be Chairman.
9. The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
10. At any meeting a resolution put to the vote of the meeting shall, subject to the requirements of the prevailing Relevant Laws, Regulations and Guidelines, be decided on a poll. A Holder shall not be entitled to vote unless all calls or other sums personally payable by him in respect of Units have been paid.
11. A poll shall be taken in such manner as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was conducted.
12. A poll shall be taken at such time and place as the Chairman directs.
13. On a poll every Holder who is present in person or by proxy shall have one vote for every Unit of which he is the Holder. A person entitled to more than one vote need not use all his votes or cast them the same way.
14. In the case of Joint Holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the vote of the other Joint Holders and for this purpose seniority shall be determined by the order in which the names stand in the Register, the first being the senior.
15. On a poll votes may be given either personally or by proxy.
16. The instrument appointing a proxy shall be in writing, under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised.
17. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at such place as the Trustee or the Manager (with the approval of the Trustee) may in the notice convening the meeting direct or if no such place is appointed then at the registered office of the Manager not less than 72 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be a Holder. The valid instrument appointing a proxy to vote at a meeting of the Holders shall be deemed to confer the same authority to demand or join in demanding a poll as that of the appointing Holder.

18. An instrument of proxy may be in the usual common form or in any other form which the Trustee shall approve.
19. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Units in respect of which the proxy is given PROVIDED THAT no intimation in writing of such death, insanity, revocation or transfer shall have been received at the place appointed for the deposit of proxies or if no such place is appointed at the registered office of the Manager before the commencement of the meeting or adjourned meeting at which the proxy is used.
20. Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Manager at the expense of the Manager and any such minute as aforesaid if purporting to be signed by the Chairman of the meeting shall be conclusive evidence of the matters therein stated and until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat to have been duly passed.
21. A resolution in writing signed by or on behalf of all the Holders for the time being entitled to receive notice of any meeting of Holders shall be as valid and effectual as a resolution (including an Extraordinary Resolution) passed at a meeting of those Holders duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by or on behalf of one or more of the Holders concerned.
22. For the purpose of this Deed, an Extraordinary Resolution means a resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Holders or (as the case may be) Depositors named in the Depository Register as at 72 hours before the time of such meeting as certified by the Depository to the Manager and an Ordinary Resolution means a resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution (at a meeting of Holders or (as the case may be) Depositors named in the Depository Register as at 72 hours before the time of such meeting as certified by the Depository to the Manager.

An Extraordinary Resolution or (as the case may be) an Ordinary Resolution shall be binding on all Holders whether or not present at the relevant meeting and each of the Holders and the Trustee and the Manager shall, subject to the provision relating to indemnity in this Deed, be bound to give effect thereto accordingly.

23. A corporation, being a Holder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of Holders and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

APPENDIX E – EXTRACTS FROM THE PARAGON TRUST DEED

24. For the purposes of determining the number of Units held in respect of Units registered in the name of the Depository and the number of votes which a particular Holder may cast in respect of such Units, each of the Trustee and the Manager shall be entitled and bound to accept as accurate the number of Units credited into the Securities Account(s) of the relevant Depositor as shown in the records of the Depository as at a time not earlier than 72 hours prior to the time of the relevant meeting, supplied by the Depository to the Trustee, and to accept as the maximum number of votes which in aggregate that Depositor and his proxy(ies) (if any) are able to cast on a poll a number which is the number of Units credited into the Securities Account(s) of the relevant Depositor, as shown in the aforementioned records of the Depository, whether that number is greater or smaller than that specified by the Depositor or in the instrument of proxy. Neither the Trustee nor the Manager shall under any circumstances be responsible for, or liable to any person as a result of it, acting upon or relying on the aforementioned records of the Depository.
25. Notwithstanding anything in this Deed, where a corporation is beneficially entitled to all the Units in issue and a minute is signed by a duly authorised representative of the corporation stating that any act, matter, or thing, or any Ordinary Resolution or Extraordinary Resolution, required by this Deed to be made, performed, or passed by or at a meeting of Holders has been made, performed, or passed, that act, matter, thing, or resolution shall, for all purposes, be deemed to have been duly made, performed, or passed by or at a meeting of Holders duly convened and at which a quorum is formed. For the avoidance of doubt, paragraph 8 of this Schedule need not be complied with when any act, matter, thing, or resolution is deemed to have been duly made, performed, or passed by or at a duly convened meeting of Holders by virtue of this paragraph 25.
26. Notwithstanding any provision to the contrary in this Deed, a Holder who is a relevant intermediary may appoint more than one proxy in relation to a general meeting to exercise all or any of its rights to attend and to speak and vote at the general meeting, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by it (and where relevant, which number and class of Units shall be specified).

For the purpose of this Deed, “relevant intermediary” means:

- (i) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
- (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act and who holds Units in that capacity; or
- (iii) (if applicable) the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under the Central Provident Fund Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

For the avoidance of doubt, notwithstanding anything in this Deed, Holders who have used their CPF monies to subscribe or purchase Units through the CPF Investment Scheme are allowed to attend any general meetings as observers, PROVIDED THAT such Holders have submitted their requests to attach the general meeting through their CPF agent banks.”

APPENDIX F – VALUATION CERTIFICATES



Our Ref : 49232

DBS Trustee Limited (in its capacity as Trustee of PARAGON REIT)
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

PARAGON REIT Management Pte. Ltd. (in its capacity as Manager of PARAGON REIT)
290 Orchard Road
#14-05/06, The Paragon
Singapore 238859

March 20, 2025

**VALUATION OF
WESTFIELD MARION, 297 DIAGONAL ROAD, OAKLANDS PARK, SOUTH AUSTRALIA 5046
(THE "PROPERTY")**

We refer to instructions issued by DBS Trustee Limited (as Trustee of PARAGON REIT) and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT) to determine the Market Value of the Property as at December 31, 2024 ("date of valuation").

We understand that our valuation and report will be referred to for the purpose of the proposed privatisation of PARAGON REIT. In this regard we have been requested to present our valuation assessment in an abbreviated form comprising a Valuation Summary Letter and Certificate ("Report") which outlines key factors which have been considered in arriving at our opinion of Market Value of the Property as at the date of valuation.

The Report is based on our full valuation report undertaken for DBS Trustee Limited (as Trustee of PARAGON REIT) and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT) to advise the Market Value of the Property as at December 31, 2024 for financial reporting and first mortgage security purposes. As such, the Report must be read in conjunction with our full valuation report which contains pertinent physical and legal property details as well as related technical and financial information. We have undertaken no further inspections, nor made any additional investigations, recalculations, reviews or other such changes since the issuance of our valuation report on February 10, 2025 prepared for financial reporting and first mortgage security purposes. Should any material changes be found to have occurred since the issuance of our valuation report, we may wish to revise our opinion of value.

Our Report is prepared in accordance with our 'General Principles Adopted in the Preparation of Valuations and Reports', a copy of which is attached.

Our valuation is made on the basis of Market Value, defined by the International Valuation Standards (IVS) and Australian Property Institute Standards current as at the valuation date as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion."

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APPENDIX F – VALUATION CERTIFICATES



Page 2

**DBS Trustee Limited (as Trustee of PARAGON REIT)
and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT)**
- Valuation of Westfield Marion, 297 Diagonal Road, Oaklands Park, South Australia 5046
(known as the “Property”) **March 20, 2025**

Terms of Reference

We have relied on the information provided by PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT) on matters such as lettable/gross floor areas, tenancy details, income and expenditure, building specifications, etc. All information provided is treated as correct and Jones Lang LaSalle accepts no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any other information provided were to materially change.

We have previously not carried out investigations to determine the suitability of the ground conditions and services. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the Property is free of rot, infestation or any other structural defects. No tests were carried out on any of the services.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions and conclusions. The opinion of value contained in this Valuation Summary Letter and Certificate is not guarantee or prediction but is based on the information obtained from reliable and reputable agencies and sources, and other related parties.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

Our valuation is made on the assumption that the owner sells the Property in the open market without the benefit of a deferred terms contract, lease back, joint venture, management agreement or any similar agreement which could serve to affect the value of the Property.

We have no present or prospective interest in the Property and are not a related corporation of nor do we have a relationship with the advisers or other party/parties DBS Trustee Limited (as Trustee of PARAGON REIT) and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT) are contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

In accordance with our standard practice, this Report is addressed only to DBS Trustee Limited (as Trustee of PARAGON REIT) and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT). No responsibility is accepted to any other third party for the whole or any part of its contents. Neither the whole nor any part of this Report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear, save that a copy of this Report may be reproduced in the scheme document to be issued by PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT) to unitholders of PARAGON REIT in connection with the proposed privatisation of PARAGON REIT.

We hereby certify that our valuer who undertook this valuation is authorised to practice as a valuer and has the necessary expertise and experience in valuing similar types of properties. The valuer has more than 20 years' experience in the valuation and advisory services for properties in Australia.

APPENDIX F – VALUATION CERTIFICATES



Page 3

**DBS Trustee Limited (as Trustee of PARAGON REIT)
and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT)**
- Valuation of Westfield Marion, 297 Diagonal Road, Oaklands Park, South Australia 5046
(known as the "Property") **March 20, 2025**

In arriving at our opinion of Market Value, we have adopted the Capitalisation of Net Income approach and Discounted Cash Flow (DCF) approach. We have considered the valuation outcome from the income approaches and have considered the reasonableness of this rate in the context of the market, referencing attributes such as location, type and quality of built improvements, investment characteristics including occupancy, weighted average lease term and overall rental position. Both results have then been cross-checked using the Direct Comparison method where the value is analysed on a rate per square metre of lettable area.

Our valuation has been undertaken utilising the Forbury Retail valuation model.

Discounted Cash Flow Approach

We have adopted the DCF approach to value the Property taking into consideration the existing committed tenancies.

Under the Discounted Cash Flow approach, the net operating income is discounted at an appropriate discount rate to arrive at the Market Value. The net income is derived by deducting from the gross income, the operating expenses incurred in the building maintenance and management of the Property and outgoings including property tax, insurance, administration overheads and other related expenses such as letting up allowances and capital expenditure for repair and replacement.

We have undertaken a Discounted Cash Flow approach over a 10-year period. The projected net income is discounted to arrive at the present value. The terminal value of the Property is derived by capitalising the net income at the end of the 10th year and discounting it to give the present value. The 10 years discounted cash flow and present value of the terminal value will give rise to the capital value of the Property.

Capitalisation of Net Income Approach

The Capitalisation of Net Income approach adopts a rental income for all occupied and vacant tenancies (i.e. base rents) and other sources of income, together with recoverable outgoings and the deduction of all outgoings and expenses including appropriate vacancy allowances to determine the net income derived from the Property.

The net income is capitalised at the appropriate investment yield derived from the analysis of relevant sales evidence.

Adjustments for rental reversions, letting up allowances and short term capital expenditure, where appropriate, have been made in order to derive the resultant value.

Market Comment

This valuation is based on information available to us and our assessment of market conditions for Property of this nature at the date of valuation. Market conditions can change rapidly and we are therefore unable to provide assurance that this assessment will remain valid in the future. We recommend that market value assessments be reviewed periodically if required.

APPENDIX F – VALUATION CERTIFICATES



Page 4

**DBS Trustee Limited (as Trustee of PARAGON REIT)
and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT)
- Valuation of Westfield Marion, 297 Diagonal Road, Oaklands Park, South Australia 5046
(known as the "Property")** **March 20, 2025**

Disclaimer

1. Save for liability which cannot be excluded by law, Jones Lang LaSalle and its respective businesses, directors, officers, employees, consultants, lenders, agents or advisors do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this Report, and do not accept any responsibility to any party:
 - (a) arising in any way for any errors in or omissions from the information, or for any lack of truth, accuracy, completeness, currency or reliability of the information;
 - (b) for any interpretation that the recipient of the information or any other person may place on the information, or for any opinion or conclusion that the recipient of the information or any other person may form as a result of examining the information; and
 - (c) any liability (whether direct or indirect or consequential) for any loss, damage, cost, expense, outgoing, interest, loss of profits or loss of any kind ("Losses") suffered or incurred by any person (whether foreseeable or not) as a result of or by reason of or in connection with the provision or use of the information in the Report, or any party acting on or relying on any information in the Report, whether the Losses arise in connection with any negligence, default or lack of care on the part of Jones Lang LaSalle or any other cause.
2. The information is not based on any actual or implied knowledge or consideration of the investment objectives, financial situation, legal or taxation position or any other needs or requirements of the recipient of the information and should not be construed in any way as a recommendation in respect of the property that forms the subject matter of the Report.
3. Any valuation or assessments included in the information or any other written or oral valuation or assessment of Jones Lang LaSalle made available to in this Report is not to be taken to be representations as to future matters. The valuation and assessments are based on a large number of assumptions and are subject to significant uncertainties, vagaries and contingencies, some, if not all, of which are outside of the control of Jones Lang LaSalle.
4. No representation is made that any assessment will be realised. Actual future events may vary significantly from the assessment. All recipients of the Report (or part thereof) should make and must rely on its own business judgment, enquiries and investigations regarding the assumptions, uncertainties and contingencies included in the Report.
5. For the avoidance of doubt, the information in the Report is based on data reasonably available to Jones Lang LaSalle as at the time of writing of the Report unless otherwise specified.
6. Jones Lang LaSalle is not providing advisory services in issuing this Report and makes no representation or recommendation to any prospective investor or financier.
7. Acceptance or use of the information by any party will be taken to be acceptance by such party that the party will be relying on its own independent judgment, enquiries, investigations and advice.
8. JLL are participants in the Australian Property Institute (API) limited liability scheme. This scheme has been approved under Professional Standards legislation and is compulsory for all API members.

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APPENDIX F – VALUATION CERTIFICATES



Page 5

DBS Trustee Limited (as Trustee of PARAGON REIT)
and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT)
- Valuation of Westfield Marion, 297 Diagonal Road, Oaklands Park, South Australia 5046
(known as the "Property") March 20, 2025

Market Value as December 31, 2024

We have had regard to the respective outcomes of the adopted valuation approaches and have reconciled our adopted Market Value having regard to the prevailing yields, rates of return and transaction rates within the context of the available investment sales evidence.

Our concluded Market Value for the Property is summarised in the following table, and our adopted valuation parameters appear within the appended Valuation Certificate.

Property	Market Value as at December 31, 2024
Westfield Marion, Oaklands Park, South Australia (50% Interest)	AUD\$580,000,000

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Advisory Services Pty Ltd

Stephen Andrew FAPI FRICS
(Primary Valuer)
Senior Director
Joint Head of Retail Valuations – Australia
API Membership No. 63227
JONES LANG LASALLE

Bernard F Sweeney FAPI MRICS
(Supervising Member)
Senior Director
Value and Risk Advisory - Victoria
JONES LANG LASALLE

The opinion of value expressed in this Summary Letter and our full valuation report is that of the Primary Valuer who undertook the valuation and who is the primary signatory on the report. That Valuer is Stephen Andrew.

Whilst not having inspected the Property, Bernard Sweeney, the countersignatory, acting in the capacity as a Supervising Member, has reviewed the draft Valuation Report and working papers, and based upon that review and questioning of the Primary Valuer (as appropriate), is satisfied there is a reasonable basis for the valuation process undertaken and the methodology adopted by the Primary Valuer.

The Quality Assurance Reviewer, Robert Salama, has reviewed the valuation for quality assurance and acknowledge that the report is genuine and endorsed by JLL. However, the Quality Assurance Reviewer has not inspected the Property nor undertaken any role in the preparation of the valuation, and in that case is not providing any professional opinion in relation to the valuation.

It is essential that before the addressee relies on this valuation, they read the report in its entirety, including any Annexures. Should the addressee be or become aware of any issue or issues that cast doubt on or are in conflict with the conditions, qualifications or assumptions contained within this report, they must notify JLL in writing so that any conflicts may be considered and if appropriate, an amended report issued.

APPENDIX F – VALUATION CERTIFICATES



Valuation Certificate

Property	:	Westfield Marion, 297 Diagonal Road, Oaklands Park, South Australia 5046
Client	:	DBS Trustee Limited (as Trustee of PARAGON REIT) and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT).
Purpose of Valuation	:	Financial Reporting and First Mortgage Security as at December 31, 2024 and extension of reliance to be referred to as part of the Proposed Privatisation.
Site Area	:	227,678 sq.m.
Tenure	:	Freehold.
Registered Proprietors	:	MAAM TT (Marion) Pty Ltd. (ACN: 636 257 835) of Governor Phillip Tower L 27 1 Farrer Place Sydney NSW 2000; ½ share. RE1 Ltd. (ACN: 145 743 862) of L 30 85 Castlereagh Street Sydney NSW 2000; ¼ share. P.T. Ltd. (ACN 004 454 666) of 39 Hunter Street, Sydney NSW 2000; ¼ share.
Brief Description	:	<p>Westfield Marion comprises a fully enclosed Super-Regional Shopping Centre which commenced trading in 1968 and has undertaken many refurbishments/extensions with the most recent refurbishment occurring in 2016. In its current configuration, Westfield Marion is underpinned by 10 major tenants, including 2 department stores (David Jones and Myer), 4 discount department stores (Big W, Kmart, Target and Harris Scarfe), 3 supermarkets (Coles, Woolworths and Aldi) and a cinema (Event Cinemas). The Centre includes 19 mini-major retailers, together with 204 specialty shops, 39 kiosks, 8 ATMs and 8 Pad Sites (including Bunnings Warehouse, Dan Murphy's and Super Cheap). A multi-level office tower provides 16 office tenancies. The Centre provides a total Gross Lettable Area is approximately 138,039 sq.m. as advised.</p> <p>Ancillary improvements comprise various parking provisions for approximately 5,549 vehicles, including 1,716 undercover spaces. Westfield Marion is situated in the southwestern suburb of Oaklands Park approximately 13 kilometres (by road) south-west of the Adelaide Central Business District within the state of South Australia.</p>
Gross Lettable Area (GLA) (as provided)	:	Approximately 138,039 sq.m.
Tenancy Brief	:	The Property is multi-tenanted.
Zoning	:	Urban Activity Centre Zone – UAC Community Facilities Zone – CF

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APPENDIX F – VALUATION CERTIFICATES



Valuation Certificate (Cont'd)

Methods of Valuation	:	Discounted Cash Flow Analysis, Capitalisation of Net Income and Direct Comparison.
Date of Valuation	:	December 31, 2024.
Capitalisation Rate	:	6.25%
Terminal Capitalisation Rate	:	6.50%
Discount Rate	:	7.75%
Market Value	:	100% Interest – GST Exclusive AUD\$1,160,000,000 (Australian Dollars One Billion One Hundred And Sixty Million)
	:	50% Interest – GST Exclusive AUD\$580,000,000 (Australian Dollars Five Hundred And Eighty Million)
Value psm on GLA	:	AUD\$8,403 psm

Jones Lang LaSalle Advisory Services Pty Ltd

A blue ink signature of Stephen Andrew FAPI FRICS, consisting of stylized initials and a surname.

Stephen Andrew FAPI FRICS
(Primary Valuer)
Senior Director
Joint Head of Retail Valuations – Australia
API Membership No. 63227
JONES LANG LASALLE

A blue ink signature of Bernard F Sweeney, written in a cursive style.

Bernard F Sweeney FAPI MRICS
(Supervising Member)
Senior Director
Value and Risk Advisory - Victoria
JONES LANG LASALLE

The opinion of value expressed in this Summary Letter and our full valuation report is that of the Primary Valuer who undertook the valuation and who is the primary signatory on the report. That Valuer is Stephen Andrew.

Whilst not having inspected the Property, Bernard Sweeney, the countersignatory, acting in the capacity as a Supervising Member, has reviewed the draft Valuation Report and working papers, and based upon that review and questioning of the Primary Valuer (as appropriate), is satisfied there is a reasonable basis for the valuation process undertaken and the methodology adopted by the Primary Valuer.

The Quality Assurance Reviewer, Robert Salama, has reviewed the valuation for quality assurance and acknowledge that the report is genuine and endorsed by JLL. However, the Quality Assurance Reviewer has not inspected the Property nor undertaken any role in the preparation of the valuation, and in that case is not providing any professional opinion in relation to the valuation.

It is essential that before the addressee relies on this valuation, they read the report in its entirety, including any Annexures. Should the addressee be or become aware of any issue or issues that cast doubt on or are in conflict with the conditions, qualifications or assumptions contained within this report, they must notify JLL in writing so that any conflicts may be considered and if appropriate, an amended report issued.

APPENDIX F – VALUATION CERTIFICATES



Annexure 1

General Principles of Valuation

GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) VALUATION STANDARDS

All work are carried out in accordance with the Australian Property Institute (API) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions.

2) VALUATION BASIS

Our valuations are made on the basis of Market Value, defined by the API and IVSC as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

3) CONFIDENTIALITY

Our Valuations and Reports are confidential to the party to whom they are addressed or their other professional advisors for the specific purpose(s) to which they refer. No responsibility is accepted to any other parties and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which they will appear.

4) SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and we shall not be responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities.

5) DOCUMENTATION

We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless informed to the contrary, that all documentation is satisfactorily drawn and that good title can be shown and there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have an effect on the value of the interest under consideration.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from PlanSA and Planning and Design Code published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority.

7) TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8) STRUCTURAL SURVEYS

We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termite or past infestation or other hidden defects.

9) SITE CONDITIONS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

10) OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

...../Page 2

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APPENDIX F – VALUATION CERTIFICATES



Page 2

11) INSURANCE VALUE

Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

12) DIMENSIONS, MEASUREMENTS & AREAS

Dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore approximations. No on site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

13) ACCURACY, ERRORS & OMISSIONS

Whilst care has been taken in the preparation of the report, no representation is made or responsibility is accepted for errors, omissions and the accuracy of the whole or any part.

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Year 2022

APPENDIX F – VALUATION CERTIFICATES



Our Ref : KH:CHH/LLH:asm:242213 to 242214

DBS Trustee Limited (in its capacity as Trustee of PARAGON REIT)
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

PARAGON REIT Management Pte. Ltd. (in its capacity as Manager of PARAGON REIT)
290 Orchard Road
#14-05/06, The Paragon
Singapore 238859

March 20, 2025

VALUATION OF PARAGON REIT PORTFOLIO

- 1) 290 ORCHARD ROAD PARAGON SINGAPORE 238859 AND
- 2) 3155 COMMONWEALTH AVENUE WEST THE CLEMENTI MALL SINGAPORE 129588
(COLLECTIVELY THE "PROPERTIES")

We refer to instructions issued by DBS Trustee Limited (as Trustee of PARAGON REIT) and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT) to determine the Market Value of the Properties as at December 31, 2024 ("date of valuation").

We understand that our valuation and report will be referred to for the purpose of the proposed privatisation of PARAGON REIT. In this regard, we have been requested to present our valuation assessment in an abbreviated form comprising a Valuation Summary Letter and Certificate ("Report") which outlines key factors which have been considered in arriving at our opinion of Market Value of the Properties as at the date of valuation.

The Report is based on our full valuation reports undertaken for DBS Trustee Limited (as Trustee of PARAGON REIT) and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT) to advise the Market Value of the Properties as at December 31, 2024 for financial reporting purpose. As such, the Report must be read in conjunction with our full valuation reports which contains pertinent physical and legal property details as well as related technical and financial information. We have undertaken no further inspections, nor made any additional investigations, recalculations, reviews or other such changes since the issuance of our valuation reports on February 10, 2025 prepared for financial reporting purpose. Should any material changes be found to have occurred since the issuance of our valuation reports, we may wish to revise our opinion of values.

Our Report is prepared in accordance with our 'General Principles Adopted in the Preparation of Valuations and Reports', a copy of which is attached.

Our valuations are made on the basis of Market Value, defined by the International Valuation Standards (IVS) (IVS 2022) and Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Practice Guidelines (2022 Edition) as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion."

Jones Lang LaSalle Property Consultants Pte Ltd
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Company Reg No: 198004794D Agency Licence No. L3007326E

APPENDIX F – VALUATION CERTIFICATES



Page 2

**DBS Trustee Limited (as Trustee of PARAGON REIT)
and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT)
- Valuation of 290 Orchard Road Paragon Singapore 238859 and
3155 Commonwealth Avenue West The Clementi Mall Singapore 129588
(collectively known as the "Properties")**

March 20, 2025

Terms of Reference

We have relied on the information provided by PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT) on matters such as lettable/gross floor areas, tenancy details, annual value, building specifications, etc. All information provided is treated as correct and Jones Lang LaSalle accepts no responsibility for subsequent changes in information and reserves the right to change our opinion of value if any other information provided were to materially change.

We have previously not carried out investigations to determine the suitability of the ground conditions and services. Our valuations have been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the Properties are free of rot, infestation or any other structural defects. No tests were carried out on any of the services.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions and conclusions. The opinion of values contained in this Valuation Summary Letter and Certificates are not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, and other related parties.

No allowances have been made in our valuations for any charges, mortgages or amounts owing on the Properties, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Properties are free from encumbrances, restrictions and outgoing of an onerous nature which could affect its value.

Our valuations are made on the assumption that the owner sells the Properties in the open market without the benefit of a deferred terms contract, lease back, joint venture, management agreement or any similar agreement which could serve to affect the value of the Properties.

We have no present or prospective interest in the Properties and are not a related corporation of nor do we have a relationship with the advisers or other party/parties DBS Trustee Limited (as Trustee of PARAGON REIT) and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT) are contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

In accordance with our standard practice, this Report is addressed only to DBS Trustee Limited (as Trustee of PARAGON REIT) and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT). No responsibility is accepted to any other third party for the whole or any part of its contents. Neither the whole nor any part of this Report nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear, save that a copy of this Report may be reproduced in the scheme document to be issued by PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT) to unitholders of PARAGON REIT in connection with the proposed privatisation of PARAGON REIT.

We hereby certify that our valuers undertaking this valuation are authorised to practice as valuers and have the necessary expertise and experience in valuing similar types of properties. The valuers undertaking the instruction are members of SISV and hold appraiser's licences with the Inland Revenue Authority of Singapore. Each valuer has more than 20 years' experience in the valuation and advisory services for properties in Singapore.

APPENDIX F – VALUATION CERTIFICATES



Page 3

**DBS Trustee Limited (as Trustee of PARAGON REIT)
and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT)
- Valuation of 290 Orchard Road Paragon Singapore 238859 and
3155 Commonwealth Avenue West The Clementi Mall Singapore 129588
(collectively known as the "Properties")**

March 20, 2025

In arriving at our opinion of Market Values, we have adopted the Income Capitalisation Method and Discounted Cash Flow (DCF) Analysis. We have considered the valuation outcome from the income approaches and have considered the reasonableness of this rate in the context of the market, referencing attributes such as location, type and quality of built improvements, balance land lease term, investment characteristics including occupancy, weighted average lease term and overall rental position. Both results have then been cross-checked using the Direct Comparison Method.

Our valuations have been undertaken utilising the Jones Lang LaSalle proprietary valuation model.

Discounted Cash Flow Analysis

We have adopted the DCF Analysis to value the Properties taking into consideration the existing committed tenancies.

Under the Discounted Cash Flow Analysis, the net operating income is discounted at an appropriate discount rate to arrive at the Market Values. The net income is derived by deducting from the gross income, the operating expenses incurred in the building maintenance and management of the property and outgoings including property tax, insurance, administration overheads and other related expenses such as letting up allowances and capital expenditure for repair and replacement.

We have undertaken a Discounted Cash Flow Analysis over a 10-year period. The projected net income is discounted to arrive at the present value. The terminal value of the Properties are derived by capitalising the net income at the end of the 10th year and discounting it to give the present value. The 10 years discounted cash flow and present value of the terminal value will give rise to the capital value of the Properties.

Income Capitalisation Method

The Income Capitalisation Method converts net income to value through the application of a market derived capitalisation rate. This method adopts a rental income for all occupied and vacant tenancies (i.e. base rents) and other sources of income, together with recoverable outgoings and the deduction of all outgoings and expenses including appropriate vacancy allowances to determine the net income derived from the Property.

Adjustments for rental reversions, letting up allowances and short term capital expenditure, where appropriate, have been made in order to derive the resultant value.

APPENDIX F – VALUATION CERTIFICATES



Page 4

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- Valuation of 290 Orchard Road Paragon Singapore 238859 and
3155 Commonwealth Avenue West The Clementi Mall Singapore 129588
(collectively known as the "Properties")

March 20, 2025

Market Comment

The valuations are based on information available to us and our assessment of market conditions for properties of this nature at the date of valuation. Market conditions can change rapidly and we are therefore unable to provide assurance that the assessments will remain valid in the future. We recommend that market value assessments be reviewed periodically if required.

Disclaimer

1. Save for liability which cannot be excluded by law, Jones Lang LaSalle and its respective businesses, directors, officers, employees, consultants, lenders, agents or advisors do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this Report, and do not accept any responsibility to any party:
 - (a) arising in any way for any errors in or omissions from the information, or for any lack of truth, accuracy, completeness, currency or reliability of the information;
 - (b) for any interpretation that the recipient of the information or any other person may place on the information, or for any opinion or conclusion that the recipient of the information or any other person may form as a result of examining the information; and
 - (c) any liability (whether direct or indirect or consequential) for any loss, damage, cost, expense, outgoing, interest, loss of profits or loss of any kind ("Losses") suffered or incurred by any person (whether foreseeable or not) as a result of or by reason of or in connection with the provision or use of the information in the Report, or any party acting on or relying on any information in the Report, whether the Losses arise in connection with any negligence, default or lack of care on the part of Jones Lang LaSalle or any other cause.
2. The information is not based on any actual or implied knowledge or consideration of the investment objectives, financial situation, legal or taxation position or any other needs or requirements of the recipient of the information and should not be construed in any way as a recommendation in respect of the property that forms the subject matter of the Report.
3. Any valuation or assessments included in the information or any other written or oral valuation or assessment of Jones Lang LaSalle made available to in this Report is not to be taken to be representations as to future matters. The valuation and assessments are based on a large number of assumptions and are subject to significant uncertainties, vagaries and contingencies, some, if not all, of which are outside of the control of Jones Lang LaSalle.
4. No representation is made that any assessment will be realised. Actual future events may vary significantly from the assessment. All recipients of the Report (or part thereof) should make and must rely on its own business judgment, enquiries and investigations regarding the assumptions, uncertainties and contingencies included in the Report.

APPENDIX F – VALUATION CERTIFICATES



Page 5

DBS Trustee Limited (as Trustee of PARAGON REIT)
and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT)
- Valuation of 290 Orchard Road Paragon Singapore 238859 and
3155 Commonwealth Avenue West The Clementi Mall Singapore 129588
(collectively known as the "Properties")

March 20, 2025

Disclaimer (Cont'd)

- For the avoidance of doubt, the information in the Report is based on data reasonably available to Jones Lang LaSalle as at the time of writing of the Report unless otherwise specified.
- Jones Lang LaSalle is not providing advisory services in issuing this Report and makes no representation or recommendation to any prospective investor or financier.
- Acceptance or use of the information by any party will be taken to be acceptance by such party that the party will be relying on its own independent judgment, enquiries, investigations and advice.

Market Value as December 31, 2024

We have had regard to the respective outcomes of the adopted valuation approaches and have reconciled our adopted Market Values having regard to the prevailing yields, rates of return and transaction rates within the context of the available investment sales evidence.

Our concluded Market Values for the individual Properties are summarised in the following table, and our adopted valuation parameters appear within the appended Valuation Certificates.

Property	Market Value as at December 31, 2024
290 Orchard Road, Paragon, Singapore 238859	S\$2,903,000,000
3155 Commonwealth Avenue West, The Clementi Mall, Singapore 129588	S\$645,000,000
TOTAL	S\$3,548,000,000

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Property Consultants Pte Ltd

Kamal Hamdi
B. Sc. (Est. Mgt), MSISV
Appraiser Licence No. AD041-2006388F
Head of Value and Risk Advisory - Singapore
JONES LANG LASALLE

Chia Hui Hoon
B.Sc. (Est. Mgt.) (Hons), MSISV
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Director
JONES LANG LASALLE

APPENDIX F – VALUATION CERTIFICATES



Page 6

**DBS Trustee Limited (as Trustee of PARAGON REIT)
and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT)
- Valuation of 290 Orchard Road Paragon Singapore 238859 and
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(collectively known as the "Properties")**

March 20, 2025

It is essential that before the addressee relies on this valuation, they read the report in its entirety, including any Annexures. Should the addressee be or become aware of any issue or issues that cast doubt on or are in conflict with the conditions, qualifications or assumptions contained within this report, they must notify JLL in writing so that any conflicts may be considered and if appropriate, an amended report issued.

APPENDIX F – VALUATION CERTIFICATES



Valuation Certificate

Property	:	290 Orchard Road Paragon Singapore 238859												
Client	:	DBS Trustee Limited (as Trustee of PARAGON REIT) and PARAGON REIT Management Pte. Ltd. (as Manager of PARAGON REIT).												
Purpose of Valuation	:	Financial reporting as at December 31, 2024 and extension of reliance to be referred to as part of the Proposed Privatisation.												
Site Area (whole development)	:	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #800000; color: white;"> <th style="text-align: left;">Lot No</th> <th style="text-align: left;">Site Area</th> </tr> <tr style="background-color: #800000; color: white;"> <th style="text-align: left;">Town Subdivision 27</th> <th></th> </tr> </thead> <tbody> <tr> <td>Lot 981T</td> <td>561.0 sq.m. (6,039 sq.ft.)</td> </tr> <tr> <td>Lot 1139C</td> <td>16,644.8 sq.m. (179,163 sq.ft.)</td> </tr> <tr> <td>Lot 1273N</td> <td>156.4 sq.m. (1,683 sq.ft.)</td> </tr> <tr> <td style="text-align: center;">Total</td> <td>17,362.2 sq.m. (186,885 sq.ft.)</td> </tr> </tbody> </table>	Lot No	Site Area	Town Subdivision 27		Lot 981T	561.0 sq.m. (6,039 sq.ft.)	Lot 1139C	16,644.8 sq.m. (179,163 sq.ft.)	Lot 1273N	156.4 sq.m. (1,683 sq.ft.)	Total	17,362.2 sq.m. (186,885 sq.ft.)
Lot No	Site Area													
Town Subdivision 27														
Lot 981T	561.0 sq.m. (6,039 sq.ft.)													
Lot 1139C	16,644.8 sq.m. (179,163 sq.ft.)													
Lot 1273N	156.4 sq.m. (1,683 sq.ft.)													
Total	17,362.2 sq.m. (186,885 sq.ft.)													
Tenure	:	99 years lease commencing on July 24, 2013 (unexpired lease of approximately 87.6 years as at the date of valuation).												
Registered Proprietor	:	DBS Trustee Limited (In Trust).												
Brief Description	:	<p>Paragon is a premier upscale retail mall incorporating medical suite / office, situated at the junction of Orchard Road and Bideford Road within the heart of the Orchard Road hotel and shopping belt. It comprises a 6-storey retail podium and one basement level. Sitting on top of the retail podium is a 14-storey tower and a 3-storey block accommodating medical and dental specialist clinics, offices and a gym/fitness centre. There are 416 carpark lots located at Basement 2 and part of Basement 1.</p> <p>The Property was completed in 1998 and has periodically undergone asset enhancement initiative (AEI) works, with the latest completed circa 2018.</p>												
Gross Floor Area (GFA) (as provided)	:	Approximately 94,411.01 sq.m. (1,016,231 sq.ft.)												
Net Lettable Area (NLA) (as provided)	:	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #800000; color: white;"> <th style="text-align: left;">Type</th> <th style="text-align: left;">Total Net Lettable Area (Approximately)</th> </tr> </thead> <tbody> <tr> <td>Retail</td> <td>46,401.40 sq.m. (499,460 sq.ft.)</td> </tr> <tr> <td>Medical Suites & Office</td> <td>20,726.50 sq.m. (223,098 sq.ft.)</td> </tr> <tr> <td style="text-align: center;">Total</td> <td>67,127.90 sq.m. (722,558 sq.ft.)</td> </tr> </tbody> </table>	Type	Total Net Lettable Area (Approximately)	Retail	46,401.40 sq.m. (499,460 sq.ft.)	Medical Suites & Office	20,726.50 sq.m. (223,098 sq.ft.)	Total	67,127.90 sq.m. (722,558 sq.ft.)				
Type	Total Net Lettable Area (Approximately)													
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Total	67,127.90 sq.m. (722,558 sq.ft.)													

APPENDIX F – VALUATION CERTIFICATES



Valuation Certificate (Cont'd)

Tenancy Brief	:	The Property is multi-tenanted.
Master Plan Zoning (2019 Edition)	:	Commercial use with a plot ratio of 4.9.
Methods of Valuation	:	Discounted Cash Flow Analysis and Income Capitalisation Method.
Date of Valuation	:	December 31, 2024.
Capitalisation Rate	:	Medical Suites & Office – 3.75% Retail – 4.50%
Terminal Capitalisation Rate	:	Medical Suites & Office – 4.00% Retail – 4.75%
Discount Rate	:	Medical Suites & Office – 6.50% Retail – 7.25%
Market Value	:	S\$2,903,000,00 (Singapore Dollars Two Billion Nine Hundred And Three Million)
Value psm on NLA	:	S\$43,246 psm
Value psf on NLA	:	S\$4,018 psf

Jones Lang LaSalle Property Consultants Pte Ltd

A handwritten signature in black ink, appearing to read 'Kamal Hamdi', written over a horizontal line.

Kamal Hamdi
B. Sc. (Est. Mgt), MSISV
Appraiser Licence No. AD041-2006388F
Head of Value and Risk Advisory - Singapore
JONES LANG LASALLE

A handwritten signature in black ink, appearing to read 'Chia Hui Hoon', written over a horizontal line.

Chia Hui Hoon
B.Sc. (Est. Mgt.) (Hons), MSISV
Appraiser Licence No: AD041-2006555E
Senior Director
JONES LANG LASALLE

APPENDIX F – VALUATION CERTIFICATES



Valuation Certificate

Property : 3155 Commonwealth Avenue West
The Clementi Mall
Singapore 129588

Client : DBS Trustee Limited (as Trustee of PARAGON REIT) and
PARAGON REIT Management Pte. Ltd. (as Manager of
PARAGON REIT).

Purpose of Valuation : Financial reporting as at December 31, 2024 and extension of
reliance to be referred to as part of the Proposed Privatisation.

Site Area (whole development) : 16,534.5 sq.m. (177,976 sq.ft)

Legal Description : Strata Lots U71433V and U71434P Mukim 5.

Tenure : 99 years lease commencing on August 31, 2010 (unexpired lease
of approximately 84.7 years as at the date of valuation).

Registered Proprietor : DBS Trustee Limited (In Trust).

Brief Description : The Clementi Mall is a suburban retail mall situated within Clementi
Town Centre, with direct access to the Clementi MRT station. It
comprises a 5-storey retail podium which includes a basement
carpark, public library and has direct transport links to the bus
interchange on the 1st storey and Clementi MRT Station on the 3rd
storey via a link bridge.

The Temporary Occupation Permits (TOP) were issued on
January 13, 2011 and March 25, 2011.

Strata Lot No. Mukim 5	Strata Floor Area
U71433V	50,513.0 sq.m. (543,717 sq.ft.)*
U71434P	11.0 sq.m (118 sq.ft.)
Total	50,524.0 sq.m. (543,835 sq.ft.)

* Includes strata void of 6,856.0 sq.m.(73,797 sq.ft.)


APPENDIX F – VALUATION CERTIFICATES




Valuation Certificate (Cont'd)

Gross Floor Area (GFA) (as provided)	:	Approximately 26,975.7 sq.m. (290,364 sq.ft.)
Net Lettable Area (NLA) (as provided)	:	Approximately 18,187.9 sq.m. (195,773 sq.ft.)
Tenancy Brief	:	The Property is multi-tenanted.
Master Plan Zoning (2019 Edition)	:	Commercial & Residential with a plot ratio of 5.0.
Methods of Valuation	:	Discounted Cash Flow Analysis and Income Capitalisation Method.
Date of Valuation	:	December 31, 2024.
Capitalisation Rate	:	4.50%
Terminal Capitalisation Rate	:	4.75%
Discount Rate	:	7.25%
Market Value	:	S\$645,000,000 (Singapore Dollars Six Hundred And Forty-Five Million)
Value psm on NLA	:	S\$35,463 psm
Value psf on NLA	:	S\$3,295 psf

Jones Lang LaSalle Property Consultants Pte Ltd


Kamal Hamdi
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APPENDIX F – VALUATION CERTIFICATES



Annexure 1

General Principles of Valuation

GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) VALUATION STANDARDS

All work are carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions.

2) VALUATION BASIS

Our valuations are made on the basis of Market Value, defined by the SISV and IVSC as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

3) CONFIDENTIALITY

Our Valuations and Reports are confidential to the party to whom they are addressed or their other professional advisors for the specific purpose(s) to which they refer. No responsibility is accepted to any other parties and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which they will appear.

4) SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and we shall not be responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities.

5) DOCUMENTATION

We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless informed to the contrary, that all documentation is satisfactorily drawn and that good title can be shown and there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have an effect on the value of the interest under consideration.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plans (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority.

7) TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8) STRUCTURAL SURVEYS

We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termite or past infestation or other hidden defects.

9) SITE CONDITIONS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

10) OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

...../Page 2

APPENDIX F – VALUATION CERTIFICATES



Page 2

11) INSURANCE VALUE

Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

12) DIMENSIONS, MEASUREMENTS & AREAS

Dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore approximations. No on site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

13) ACCURACY, ERRORS & OMISSIONS

Whilst care has been taken in the preparation of the report, no representation is made or responsibility is accepted for errors, omissions and the accuracy of the whole or any part.

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Year 2022

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APPENDIX G – SCHEME CONDITIONS

All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Paragon Manager in Singapore from the date of this Scheme Document up to (and including) the Effective Date.

No.	Scheme Condition	Status as at the Latest Practicable Date
(a)	Unitholders' Approvals:	
	(i) Paragon Trust Deed Amendments Resolution: The approval by the Unitholders to amend the Paragon Trust Deed to reflect the Paragon Trust Deed Amendments at the EGM to be convened.	To be sought at the EGM.
	(ii) Paragon Scheme Resolution: Subject to paragraph (a)(i) being approved, the approval by the Minority Unitholders for the Scheme at the Scheme Meeting to be convened.	To be sought at the Scheme Meeting.
(b)	Regulatory Approvals: The following regulatory approvals having been obtained, and such approvals not having been cancelled, revoked, withdrawn or expired, on or prior to the Relevant Date:	
	(i) MAS Approval for the Scheme: confirmation from the MAS, that: <p style="margin-left: 40px;">(A) the MAS would have no objection to the withdrawal of the authorisation of PARAGON REIT as an authorised collective investment scheme, and PARAGON REIT as a private trust would no longer be subject to the requirements governing collective investment schemes; and</p> <p style="margin-left: 40px;">(B) in the event the authorisation of PARAGON REIT as an authorised collective investment scheme is withdrawn pursuant to Section 288(7) of the SFA, the MAS would have no objections to granting PARAGON REIT an exemption from Section 295(2) of the SFA.</p>	Confirmation obtained.
	(ii) SIC Approval for the Scheme: confirmations from the SIC, that: <p style="margin-left: 40px;">(A) Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code do not apply to the Scheme, subject to any conditions that the SIC may deem fit to impose;</p> <p style="margin-left: 40px;">(B) the SIC has no objections to the Scheme Conditions; and</p> <p style="margin-left: 40px;">(C) the SIC has no objections to the Switch Option.</p>	Confirmations obtained.

APPENDIX G – SCHEME CONDITIONS

No.	Scheme Condition	Status as at the Latest Practicable Date
	(iii) Court Order: the grant of the Scheme Court Order by the Court.	To be applied for, pending approval of the Paragon Trust Deed Amendments and the Paragon Scheme Resolution.
	(iv) SGX-ST Approval: the clearance or approval-in-principle (as the case may be) from the SGX-ST for: <p>(A) this Scheme Document; and</p> <p>(B) the proposed delisting of PARAGON REIT from the SGX-ST after the Scheme becomes effective and binding in accordance with its terms.</p>	Satisfied, save for the approval-in-principle from the SGX-ST for the proposed delisting of PARAGON REIT from the SGX-ST. Please refer to Paragraph 8 of the Letter to Unitholders for further details.
(c)	Tax Approvals: Confirmation from the IRAS (Commissioner of Stamp Duties) that stamp duty is not chargeable on the transfer of the Units to TPPL and such confirmation not having been cancelled, revoked, withdrawn or expired, on or prior to the Relevant Date.	Confirmation obtained.
(d)	No Legal or Regulatory Restraint: Between the date of the Implementation Agreement and up to the Relevant Date (both inclusive), there having been no decree, determination, injunction, judgement or other order (in each case, whether temporary, preliminary or permanent) issued by any court of competent jurisdiction or by any Governmental Authority which has the effect of enjoining, restraining or otherwise prohibiting the Scheme or any part thereof, and which remains in force and effect as at the Relevant Date.	To be determined on the Relevant Date.
(e)	No Prescribed Occurrence:	
	(i) No TPPL Prescribed Occurrence: Between the date of the Implementation Agreement and up to the Relevant Date (both inclusive), there having been no TPPL Prescribed Occurrence in relation to TPPL which is material in the context of the Scheme.	To be determined on the Relevant Date.
	(ii) No Paragon Prescribed Occurrence: Between the date of the Implementation Agreement and up to the Relevant Date (both inclusive), there having been no Paragon Prescribed Occurrence in relation to the Paragon Group which is material in the context of the Scheme.	To be determined on the Relevant Date.

APPENDIX G – SCHEME CONDITIONS

No.	Scheme Condition	Status as at the Latest Practicable Date
(f)	No Breach of Warranties:	
(i)	No Breach of TPPL Warranties: With respect to TPPL, there having been no breach of the TPPL Warranties which is material in the context of the Scheme as at the date of the Implementation Agreement and as at the Relevant Date (as though made on and as at that date), except to the extent any such warranty expressly relates to an earlier date (in which case, as of such earlier date).	To be determined on the Relevant Date.
(ii)	No Breach of Paragon Warranties: With respect to PARAGON REIT, there having been no breach of the Paragon Warranties which is material in the context of the Scheme as at the date of the Implementation Agreement and as at the Relevant Date (as though made on and as at that date), except to the extent any such warranty expressly relates to an earlier date (in which case, as of such earlier date).	To be determined on the Relevant Date.
(g)	No Paragon Material Adverse Effect: There having been no occurrence of any Paragon Material Adverse Effect from the date of the Implementation Agreement up to the Relevant Date (both inclusive).	To be determined on the Relevant Date.
(h)	Authorisations and Consents: In addition to the approvals set out in paragraphs (b) (<i>Regulatory Approvals</i>) and (c) (<i>Tax Approvals</i>) above, the receipt of all authorisations, consents, clearances, permissions and approvals as are necessary or required by any and all Parties under any and all applicable Laws, from all Governmental Authorities, for or in respect of the implementation of the Scheme.	In progress.
(i)	Third Parties: The receipt of all authorisations, consents, waivers, clearances, permissions and approvals as are necessary or required by PARAGON REIT from the Third Parties, for or in respect of the implementation of the Scheme.	In progress.

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APPENDIX H – TPPL PRESCRIBED OCCURRENCES

All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Paragon Manager in Singapore from the date of this Scheme Document up to (and including) the Effective Date.

For the purposes of the Implementation Agreement, “**TPPL Prescribed Occurrence**” means any of the following, save: (i) as required to give effect to or comply with the Implementation Agreement and/or the Scheme; (ii) as consented to in writing by PARAGON REIT (such consent not to be unreasonably withheld or delayed); or (iii) as required by applicable Laws:

1. Cessation of Business

TPPL or CP ceases or threatens to cease for any reason to carry on business in the ordinary and usual course.

2. Resolution for Winding-Up

Any resolution that TPPL or CP be Wound-up.

3. Appointment of Liquidator and Judicial Manager

The appointment of a liquidator, provisional liquidator, judicial manager or provisional judicial manager of TPPL or CP.

4. Order of Court for Winding-Up

The making of an order by a court of competent jurisdiction for TPPL or CP to be Wound-up.

5. Composition

Entering into any arrangement or general assignment or composition for the benefit of the creditors generally of TPPL or CP.

6. Appointment of Receiver

The appointment of a receiver or a receiver and manager in relation to all or substantially all the property or assets of TPPL or CP.

7. Insolvency

TPPL or CP becoming or being deemed by applicable Laws to be insolvent, or stops or suspends or defaults on or threatens to stop or suspend or default on, payment of its debts.

8. Analogous Event

Any event occurs which, under the Laws of any applicable jurisdiction, has an analogous or equivalent effect to any of the foregoing events, or any agreement or commitment by TPPL or CP to do any of the foregoing.

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APPENDIX I – PARAGON PRESCRIBED OCCURRENCES

All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Paragon Manager in Singapore from the date of this Scheme Document up to (and including) the Effective Date.

For the purposes of the Implementation Agreement, “**Paragon Prescribed Occurrence**” means any of the following, save: (i) as required to give effect to or comply with the Implementation Agreement and/or the Scheme; (ii) as consented to in writing by TPPL (such consent not to be unreasonably withheld or delayed); (iii) as Disclosed in the Disclosure Letter; or (iv) as required by applicable Laws:

1. Amendment of Trust Deeds

The Paragon Manager making any amendment to the Paragon Trust Deed, save for amendments necessary, required or desirable to facilitate the implementation of, or to give effect to, the Scheme and the transactions contemplated by the Implementation Agreement or any other matter as may be agreed between the Parties.

2. Conversion of Units

The Paragon Manager sub-dividing or consolidating any or all of the Units into a larger or smaller number of Units.

3. Issuance of Units or Shares

The Paragon Manager (or any Paragon Group Entity) allotting or issuing, or granting an option to subscribe for, any Units, shares, units or equity securities of any Paragon Group Entity, or securities convertible into Units or into such shares, units or equity securities, save for any issuance of Units to the Paragon Manager as payment of fees (including base management fees, performance management fees and, if any, acquisition or divestment fees), as consistent with its usual policy of electing to receive Units in line with past practice.

4. Securities Buy-back

The Paragon Manager (or any Paragon Group Entity):

- (a) entering into a securities buy-back or repurchase agreement;
- (b) resolving to approve the terms of a securities buy-back or repurchase agreement under the relevant securities legislation or the Paragon Trust Deed (save for any unit buy-back mandate that may be approved at the annual general meeting of PARAGON REIT); or
- (c) buying-back or repurchasing any issued Units.

5. Distributions

Save for the Permitted Distributions, the Paragon Manager:

- (a) declaring, making or paying any distribution to the Unitholders other than in accordance with the ordinary and usual course of business, consistent with the prior practice in the period prior to the date of the Implementation Agreement; or
- (b) declaring, making or paying any distribution to the Unitholders from the proceeds of the Figtree Disposal.

APPENDIX I – PARAGON PRESCRIBED OCCURRENCES

6. Borrowings, Indebtedness

The Paragon Trustee (or any Paragon Group Entity):

- (a) issuing any bonds, notes or other debt securities (whether or not convertible or exchangeable into units and whether or not accounted as equity), whether under the Paragon Programme or otherwise; or
- (b) incurring any other borrowings or indebtedness, save for:
 - (i) drawdowns on existing debt facilities;
 - (ii) the refinancing of any debt obligations prior to their due date;
 - (iii) any borrowing or indebtedness incurred to fund any capital expenditure permitted in paragraph 9 or any acquisition permitted in paragraph 10; and
 - (iv) any borrowing or indebtedness incurred in relation to working capital requirements not exceeding S\$1,000,000.

For the avoidance of doubt, this paragraph 6 does not prohibit the Paragon Trustee (or any Paragon Group Entity) from making any prepayment or early repayment of its existing debt facilities or any other borrowing or indebtedness in the ordinary course of business.

7. Guarantees, Indemnities

The Paragon Trustee (or any Paragon Group Entity):

- (a) entering into any guarantee, indemnity or other arrangement to secure any obligation of any Person (other than a Paragon Group Entity); or
- (b) creating any Encumbrance over any of PARAGON REIT (or any Paragon Group Entity)'s assets or undertakings (including granting any rights or easements over any Paragon Property),

in each case, save in the ordinary course of business or in respect of any borrowings or indebtedness as permitted in paragraph 6.

8. Hedging

The Paragon Trustee (or any Paragon Group Entity) entering into any material hedging and other derivative or off-balance sheet transactions, save with respect to any cash-flow hedging for an underlying exposure which is permitted in paragraph 6.

9. Capital Expenditure

The Paragon Trustee (or any Paragon Group Entity) making or incurring any capital expenditure, save for:

- (a) any Approved Capex, less any and all capital expenditure incurred or committed from 1 January 2025 until (and including) the date of the Implementation Agreement; and
- (b) any capital expenditure arising from or relating to cases of emergency.

APPENDIX I – PARAGON PRESCRIBED OCCURRENCES

10. Acquisitions and Disposals

The Paragon Trustee (or any Paragon Group Entity):

- (a) entering into, undertaking or completing any Material Acquisition; or
- (b) entering into, undertaking or completing any Material Disposal.

11. Real Property

In relation to the Paragon Properties, the Paragon Trustee (or any Paragon Group Entity):

- (a) applying for any planning permission or sub-division of any Paragon Property, or implementing any planning permission or sub-division of any Paragon Property already obtained but not implemented, in each case which is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole (save in respect of any Approved Capex);
- (b) carrying out any alteration or addition to any Paragon Property which has not been approved or budgeted for as at the date of the Implementation Agreement, save for any fitting out works carried out by an Occupier pursuant to an Occupation Agreement, in each case which is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole (save in respect of any Approved Capex);
- (c) effecting any change of use of any Paragon Property which is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole;
- (d) amending, modifying or varying any Title Document, in each case, except as will not have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole;
- (e) releasing the lessor, grantor or issuer under any Title Document(s) from any of its obligations, failing to exercise any rights or powers of termination under any Title Document(s) or waiving any breaches of any Title Document(s), in each case, in any material respect; or
- (f) renewing any leases other than in the ordinary course of business.

12. Investigations

If PARAGON REIT (or any Paragon Group Entity), the Paragon Trustee or the Paragon Manager or any of their respective directors is the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation or Proceeding.

APPENDIX I – PARAGON PRESCRIBED OCCURRENCES

13. Proceedings

The Paragon Trustee or the Paragon Manager (or any Paragon Group Entity) initiating, compromising, settling or making any offer to compromise, settle or pay any claim, legal action or Proceeding in excess of S\$1,000,000 (or its equivalent in other currencies) individually or in the aggregate with any and all other claims, legal actions or Proceedings, save in the ordinary course of business.

14. Cessation of Business

PARAGON REIT (or any Paragon Group Entity) ceases or threatens to cease for any reason to carry on business in the ordinary and usual course.

15. Amend Accounting Policies

PARAGON REIT (or any Paragon Group Entity) making any change to its accounting practices or policies (save for changes in accordance with FRS or RAP 7, as applicable).

16. Resolution for Winding-Up

Any resolution that PARAGON REIT (or any Paragon Group Entity) be Wound-up, save with respect to any Paragon Group Entity that is dormant.

17. Appointment of Liquidator and Judicial Manager

The appointment of a liquidator, provisional liquidator, judicial manager or provisional judicial manager of PARAGON REIT (or any Paragon Group Entity).

18. Order of Court for Winding-Up

The making of an order by a court of competent jurisdiction for PARAGON REIT (or any Paragon Group Entity) to be Wound-up.

19. Composition

Entering into any arrangement or general assignment or composition for the benefit of the creditors generally of PARAGON REIT (or any Paragon Group Entity).

20. Appointment of Receiver

The appointment of a receiver or a receiver and manager in relation to all or substantially all the property or assets of PARAGON REIT (or any Paragon Group Entity).

21. Insolvency

PARAGON REIT (or any Paragon Group Entity) becoming or being deemed by applicable Laws to be insolvent, or stops or suspends or defaults on or threatens to stop or suspend or default on, payment of its debts.

22. Analogous Event

Any event occurs which, under the Laws of any applicable jurisdiction, has an analogous or equivalent effect to any of the foregoing events, or any agreement or commitment by any Paragon Group Entity to do any of the foregoing.

APPENDIX J – TPPL WARRANTIES

All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Paragon Manager in Singapore from the date of this Scheme Document up to (and including) the Effective Date.

TPPL warrants to the other Parties with respect to itself, as at the date of the Implementation Agreement and as at the Relevant Date (save where it is expressed to be given at a particular time, in which case, as at such particular time), that:

- (a) it has the power and authority to enter into and perform its obligations under the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement;
- (b) it has taken all necessary corporate actions to authorise entry into the Implementation Agreement and has taken or will take all necessary corporate action to authorise the performance of the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement;
- (c) its obligations under the Implementation Agreement are valid, legally binding and enforceable in accordance with its terms;
- (d) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from third parties) in order to:
 - (i) enable it to lawfully enter into, exercise its rights and perform and comply with its obligations under the Implementation Agreement have been or will be taken, fulfilled and done; and
 - (ii) ensure that those obligations are valid and legally binding and have been or will be taken, fulfilled and done;
- (e) neither the execution nor performance by it of the Implementation Agreement nor any transaction contemplated under the Implementation Agreement will violate any provisions of its constitutive documents or any agreement or instrument to which it is a party or by which it or its assets are bound, except as will not result in a material adverse effect on the business, operations, assets or financial condition of TPPL;
- (f) no Insolvency Event has occurred or is continuing in relation to TPPL which has or could have a material adverse effect on the business, operations, assets or financial condition of TPPL; and
- (g) TPPL has sufficient financial resources to satisfy in full the aggregate Scheme Consideration required for the Scheme.

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APPENDIX K – PARAGON WARRANTIES

All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Paragon Manager in Singapore from the date of this Scheme Document up to (and including) the Effective Date.

The Paragon Trustee and the Paragon Manager severally (and neither jointly nor jointly and severally) warrant to TPPL as at the date of the Implementation Agreement and as at the Relevant Date (save where it is expressed to be given at a particular time, in which case, as at such particular time), that:

1. Status

1.1 Paragon REIT

PARAGON REIT is duly constituted pursuant to the Paragon Trust Deed, validly existing under the laws of Singapore and is listed on the Main Board of the SGX-ST.

1.2 Paragon Group

- (a) Each Paragon Group Entity is a company, corporation, trust or limited liability partnership duly incorporated or constituted and validly existing under its laws of incorporation or establishment.
- (b) As at the date of the Implementation Agreement, the Paragon Trustee is the direct or indirect legal owner of such percentage of equity interest in each Paragon Group Entity as set out in the Disclosure Letter and holds such equity interests on trust for the benefit of the Unitholders in accordance with the Paragon Trust Deed but otherwise free from any Encumbrances. Save as set out in the Disclosure Letter, PARAGON REIT does not own or hold any equity interests in any other Persons.

2. Pre-emption and Units, etc.

2.1 Paragon

All the Units have been duly authorised and validly issued, are fully paid-up and rank *pari passu* in all respects with each other. PARAGON REIT is not subject to any actual or contingent obligation to issue or convert securities and the Paragon Manager will not declare, make or pay any distribution (in cash or in kind) to any Unitholders, save for the Permitted Distribution.

2.2 Paragon Group

All the issued shares and units of each Paragon Group Entity have been duly authorised and validly issued, are fully paid-up and rank *pari passu* in all respects with each other.

3. No Breach

Save for the required approvals and consents as set out in paragraphs (a), (b), (c), (h) and (i) of **Appendix G** to this Scheme Document, neither the execution nor performance by the Paragon Trustee or the Paragon Manager of the Implementation Agreement nor any transaction contemplated under the Implementation Agreement will violate or accelerate the obligations of any Paragon Group Entity under any order, writ, injunction or decree of any Governmental Authority applicable to any Paragon Group Entity or their respective assets.

APPENDIX K – PARAGON WARRANTIES

4. Full Disclosure

- 4.1 (a) All information contained in the Implementation Agreement was when given, and as far as the Paragon Manager is aware, remains, true and correct in all material respects, and not misleading in any material respect; and
- (b) none of the Paragon Trustee or the Paragon Manager is aware of any fact, matter or circumstances which would or is reasonably likely to render any such information untrue, inaccurate or misleading in any material respect,

provided that no warranty or representation shall be given by the Paragon Trustee or the Paragon Manager in relation to any forecast, estimate, projection or forward-looking statement which has been made by or on behalf of the Paragon Group.

- 4.2 All material information in relation to the Paragon Group with respect to the period from 1 January 2025 up to and including the Disclosure Cut-Off Date has been announced on the SGXNet in compliance with the Listing Manual.
- 4.3 Following the release of the Joint Announcement, the Paragon Manager is not in breach of its continuing disclosure obligations under Chapter 7 of the Listing Manual.

5. Accounts and Records

5.1 Accounts

- (a) The PARAGON REIT FY2024 Financial Statements have been properly drawn up in accordance with the RAP 7, the applicable requirements of the Code on Collective Investment Schemes issued by the MAS and the provisions of the Paragon Trust Deed.
- (b) The PARAGON REIT FY2024 Financial Statements present fairly, in all material respects, the financial position of the Paragon Group as at 31 December 2024 and the total return and the cash flows of the Paragon Group for the year ended 31 December 2024.

5.2 Changes since 31 December 2024

Save as Disclosed on the SGXNet since 1 January 2025 (up to and including the Disclosure Cut-Off Date), there have been no material adverse changes in the financial condition and operation of the Paragon Group taken as a whole since 31 December 2024 up to the date of the Implementation Agreement and, in particular:

- (a) except as may be affected by actions contemplated, required or permitted by the Implementation Agreement, its business has been carried on solely in the ordinary and usual course, without any material interruption or alteration in its nature, scope or manner, and so as to maintain the same as a going concern;
- (b) it has not assumed or incurred any material obligations or liabilities (including material contingent liabilities) or made any material payment not provided for in the PARAGON REIT FY2024 Financial Statements or which is not in the ordinary and usual course of carrying on its business; and
- (c) it has not entered into any unusual, long-term and onerous commitments and contracts that would have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.

APPENDIX K – PARAGON WARRANTIES

5.3 Absence of Undisclosed Liabilities

Save as Disclosed on the SGXNet from 1 January 2025 up to and including the Disclosure Cut-Off Date, there are no material liabilities (including material contingent liabilities) of any Paragon Group Entity which are outstanding on the part of each Paragon Group Entity, and which are not:

- (a) liabilities Disclosed or provided for in the PARAGON REIT FY2024 Financial Statements;
- (b) liabilities incurred in the ordinary and usual course of business since 31 December 2024;
- (c) liabilities Disclosed elsewhere in the Implementation Agreement or the Disclosure Letter; or
- (d) liabilities Disclosed in the Due Diligence Information.

6. Legal Matters

6.1 Compliance with Laws

- (a) Each Paragon Group Entity has carried on and is carrying on its business and operations (including the Paragon Properties) so that there have been no breaches of applicable Laws and by-laws in each country in which they are carried on which has a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.
- (b) There have not been and there are no breaches by any Paragon Group Entity of its constitutional documents which has a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.
- (c) None of the Paragon Trustee or the Paragon Manager is aware of any investigation or enquiry by, or order, decree, decision or judgement of, any Governmental Authority outstanding or anticipated against any Paragon Group Entity and any Paragon Property which has had or is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.
- (d) No written notice has been received from any Governmental Authority with respect to an alleged, actual or potential violation of or failure to comply with any applicable Law, by-law or constitutional document, or requiring it to take or omit to take any action, which has had or is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.

6.2 Licences and Consents

- (a) All Licences necessary for the carrying on of the businesses and operations of each Paragon Group Entity and each Paragon Property have been obtained, are in full force and effect and all conditions applicable to any such Licence have been and are being complied with in all material respects, unless the failure to obtain any such Licence does not have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.

APPENDIX K – PARAGON WARRANTIES

- (b) There is no investigation, enquiry or proceeding outstanding or, as far as the Paragon Trustee or the Paragon Manager is aware, anticipated which would or is reasonably likely to result in the suspension, cancellation, modification or revocation of any of the Licences that will result in a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.
- (c) None of the Licences has been breached, suspended, cancelled, refused, modified or revoked (whether as a result of the entry into the Implementation Agreement or otherwise) that would or is reasonably likely to result in a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole, and, so far as the Paragon Trustee or the Paragon Manager is aware, there is no fact, matter or circumstance which is reasonably likely to give rise to the foregoing.

6.3 Litigation, Arbitration and Investigations

- (a) No litigation, arbitration or administrative proceeding is current or pending or, as far as the Paragon Trustee or the Paragon Manager is aware, threatened, to restrain the entry into, the exercise of the Paragon Trustee or the Paragon Manager's rights under, performance or enforcement of or compliance with its obligations under the Implementation Agreement, except as will not result in a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.
- (b) No litigation, arbitration or administrative proceeding is current or pending or, as far as the Paragon Trustee or the Paragon Manager is aware, threatened (other than in the ordinary course of business), which has or could have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole (other than as claimant in the collection of debts arising in the ordinary and usual course of its business).
- (c) There is no investigation or enquiry by any court, tribunal, arbitrator, Governmental Authority or regulatory body outstanding or, as far as the Paragon Trustee or the Paragon Manager is aware, anticipated against any Paragon Group Entity, which has or could have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.

6.4 Insolvency

No Insolvency Event has occurred or is continuing in relation to any Paragon Group Entity which has or could have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.

7. Contractual Arrangements

7.1 Debts, Contracts and Arrangements with Interested Persons etc.

Since 31 December 2024, save as Disclosed on the SGXNet, there is no interested person transaction (as defined in the Listing Manual) between any Paragon Group Entity and any interested person (as defined in the Listing Manual) of PARAGON REIT which is of a value of 3% or more of the latest audited net tangible assets of the Paragon Group on a consolidated basis.

APPENDIX K – PARAGON WARRANTIES

7.2 Effect of the Scheme

The execution and delivery of, and the performance by the Paragon Trustee or the Paragon Manager of its obligations under the Implementation Agreement and the transactions contemplated hereunder:

- (a) does not and will not result in a breach of any provision of the constitutive documents of any Paragon Group Entity; and
- (b) does not and will not:
 - (i) conflict with, result in the breach of or constitute a default under any agreement or contract to which any Paragon Group Entity is a party, or any loan to or mortgage created by any Paragon Group Entity;
 - (ii) relieve any other party to such contract with any Paragon Group Entity of its obligations under such contract;
 - (iii) entitle any other party to such contract with any Paragon Group Entity to terminate or modify such contract, whether summarily or by written notice;
 - (iv) result in the creation of any Encumbrance under any such contract;
 - (v) result in a breach of any order, judgement or decree of any Governmental Authority to which any Paragon Group Entity is a party or by which any Paragon Group Entity or any of their respective assets is bound; or
 - (vi) result in a breach of any terms and conditions of any licence, authorisation, permission, registration, approval, or governmental consent granted to any Paragon Group Entity,

in each case, except as will not have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.

7.3 Contracts

- (a) Since 31 December 2024, save as Disclosed on the SGXNet from 1 January 2025 up to and including the Disclosure Cut-Off Date, no Paragon Group Entity is, or has been, a party to any contract or transaction which:
 - (i) is outside the ordinary and usual course of business;
 - (ii) is not wholly on an arm's length basis; or
 - (iii) is of a loss-making nature that would, or is reasonably likely to, result in a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.

APPENDIX K – PARAGON WARRANTIES

- (b) Since 31 December 2024, save as Disclosed on the SGXNet from 1 January 2025 up to and including the Disclosure Cut-Off Date, none of the Paragon Group Entities:
- (i) is, or has agreed to become, a party to any agreement or arrangement which restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit;
 - (ii) is, or has agreed to become, a member of any joint venture, consortium, partnership or other unincorporated association; or
 - (iii) is, or has agreed to become, a party to any material agreement or arrangement for participating with others in any business sharing commissions or other income.

7.4 Compliance with Agreements

- (a) As far as the Paragon Trustee and the Paragon Manager are aware, all contracts, leases, tenancies, licences, concessions and agreements (and any amendments or waivers with respect thereto) to which any Paragon Group Entity is a party and which are material to the operations of the Paragon Group, taken as a whole (“**Paragon Contracts**”) are valid, binding and enforceable obligations of the relevant Paragon Group Entity and the terms of the Paragon Contracts have been complied with in all material respects by the relevant Paragon Group Entity;
- (b) as far as the Paragon Trustee and the Paragon Manager are aware, there is no fact, matter or circumstance which is reasonably likely to give rise to any material breach of any of the Paragon Contracts; and
- (c) no grounds for rescission, avoidance or repudiation of any of the Paragon Contracts and no written notice of termination or of intention to terminate has been received in respect of any of the Paragon Contracts,

in each case, except as will not have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.

8. Taxation Matters

8.1 Provisions or Reserve for Taxation

- (a) Proper provision or reserve has been made in the PARAGON REIT FY2024 Financial Statements for all Taxation liable to be assessed, charged or imposed on each Paragon Group Entity or for which each is or may become accountable in respect of:
 - (i) profits, gains or income (as computed for Taxation purposes) arising or accruing or deemed to arise or accrue on or before 31 December 2024;
 - (ii) any Tax Event effected or deemed to be effected on or before 31 December 2024 or provided for in the PARAGON REIT FY2024 Financial Statements; and
 - (iii) distributions made or deemed to be made on or before 31 December 2024 or provided for in the PARAGON REIT FY2024 Financial Statements.
- (b) Proper provision or reserve for deferred Taxation in accordance with accounting principles and standards generally accepted at the date of the PARAGON REIT FY2024 Financial Statements in the country of incorporation of the relevant Paragon Group Entity has been made in the PARAGON REIT FY2024 Financial Statements.

APPENDIX K – PARAGON WARRANTIES

8.2 Returns, Information, Clearances, Incentives

- (a) Each Paragon Group Entity has complied in all material respects with all applicable Tax laws, regulations, concessions, consents or clearances imposed by the relevant Taxation authorities.
- (b) Save in respect of Taxes which have already been paid by the Paragon Group pending the outcome of an investigation, dispute or potential dispute, no Paragon Group Entity is, nor is expected to be involved in, a dispute in relation to Tax, and no Taxation authority has in the last six years of Tax assessment preceding the date of the Implementation Agreement investigated or indicated that it intends to investigate any Paragon Group Entity's Tax affairs (other than routine compliance review or audit), and as far as the Paragon Trustee and the Paragon Manager are aware, there is no fact, matter or circumstance which is reasonably likely to give rise to any of the foregoing.
- (c) All Taxes assessed or imposed by any government or governmental or statutory body which have been assessed upon any Paragon Group Entity and which are due and payable on or before the Effective Date have been paid and were paid on or before the relevant due date for payment or will be paid before the relevant due date for payment.
- (d) Save as contemplated under the Implementation Agreement, all the Tax incentives and preferential Tax treatment enjoyed by the Paragon Group as at the date of the Implementation Agreement will not, as far as the Paragon Trustee or the Paragon Manager is aware, be affected, varied, withdrawn or revoked as a result of the Scheme.
- (e) PARAGON REIT has not received any written notification that any of its relief (whether by way of deduction, reduction, set-off, exemption, postponement, roll-over, repayment or allowance or otherwise) from, against or in respect of any Taxation that has been claimed or given to PARAGON REIT would be effectively withdrawn, postponed, restricted, clawed back or otherwise lost as a result of any act, or omission by PARAGON REIT, which has or would have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.
- (f) No Paragon Group Entity has done or omitted to do anything since any application for any concession, consent or clearance from any Taxation authority that was made which is reasonably likely to cause such concession, consent or clearance to be or become invalid, or to be withdrawn by the relevant Taxation authorities.
- (g) The Paragon Manager will not take or omit to take any action that will cause such consent or clearance to be or become invalid, or to be withdrawn by the relevant Taxation authorities.

8.3 Residence

Each Paragon Group Entity has been resident for Tax purposes in its country of incorporation and nowhere else at all times since its incorporation, and will be so resident at the Relevant Date.

APPENDIX K – PARAGON WARRANTIES

8.4 Finance Leases

Save as Disclosed in the PARAGON REIT FY2024 Financial Statements, no Paragon Group Entity is or has been the lessor or the lessee under any material finance lease of an asset. For the purposes of this paragraph, “material finance lease” means any arrangements for the leasing of an asset which fall for the purposes of the accounts of a Paragon Group Entity to be treated in accordance with normal accounting practice (based on the lease accounting standards applicable to the preparation of the PARAGON REIT FY2024 Financial Statements) as a finance lease or loan where the amount payable under such arrangements is more than 5% of the total assets of PARAGON REIT in the PARAGON REIT FY2024 Financial Statements.

9. Subsidiaries, Associates and Branches

No Paragon Group Entity:

- (a) is the holder or beneficial owner of, or has agreed to acquire, any share, unit or equity interest or loan capital of any other Person (whether incorporated in Singapore or elsewhere); or
- (b) has any branch, agency, division, establishment or operations outside the jurisdiction in which it is incorporated.

10. Insurance

- (a) All the material assets of each of the Paragon Group Entities which are capable of being insured have at all material times been adequately insured against fire and other risks normally insured against by companies carrying on similar businesses or owning assets of a similar nature.
- (b) In respect of all such insurances, each Paragon Group Entity has complied in all material respects with the following:
 - (i) all premiums have been duly paid to date;
 - (ii) all the current policies are valid and enforceable and, as far as the Paragon Trustee or the Paragon Manager is aware, are not void or voidable; and
 - (iii) no single claim of S\$300,000 or more is outstanding, unpaid or in dispute, and there is no fact, matter or circumstance which is reasonably likely to give rise to any such claim under any of the policies.

APPENDIX K – PARAGON WARRANTIES

11. Intellectual Property and Information Technology

11.1 Ownership etc.

In all material respects, all Intellectual Property (whether registered or not) and all pending applications thereof which have been and are being used for the business of each Paragon Group Entity are (or, where appropriate in the case of pending applications, will be):

- (a) legally and beneficially owned by such Paragon Group Entity or lawfully used with the consent of the owner under a lease or licence to such Paragon Group Entity; and
- (b) as far as the Paragon Trustee or the Paragon Manager is aware, not being infringed or attacked or opposed by any Person, and there is no fact, matter or circumstance which is reasonably likely to give rise to the foregoing.

11.2 Intellectual Property

Each Paragon Group Entity has complied in all material respects with the following:

- (a) all rights in Intellectual Property required for the business of any Paragon Group Entity are vested in or validly granted to such Paragon Group Entity, subject to the terms thereof, and all renewal fees and steps required for their maintenance or protection have been paid and taken;
- (b) no Paragon Group Entity has granted or is obliged to grant any licence, sub-licence or assignment in respect of any Intellectual Property owned, used by or otherwise required for the business of such Paragon Group Entity, other than to its employees or those of the other Paragon Group Entities for the purpose of carrying on its business; and
- (c) no Paragon Group Entity is in breach of any licence, sub-licence or assignment granted to or by it in respect of any Intellectual Property owned, used by or otherwise required for the business of such Paragon Group Entity or is to be made available to it.

11.3 Process

As far as the Paragon Trustee or the Paragon Manager is aware, the processes employed in the businesses conducted by each Paragon Group Entity and the products and services dealt in by each Paragon Group Entity do not use, embody or infringe any rights or interests of third parties in Intellectual Property (other than those belonging to or licensed to the Paragon Group Entities), and no written claims of infringement of any such rights or interests have been made by any Person.

APPENDIX K – PARAGON WARRANTIES

12. Properties

12.1 Properties

The Paragon Properties comprise all of the real property owned in connection with the businesses of the Paragon Group Entities.

12.2 Title

Each of the Paragon Properties is owned by a Paragon Group Entity, the Paragon Trustee or a Paragon Subsidiary Trust which (i) (in the case of the Paragon Properties in Singapore) is the registered proprietor of the leasehold interest in such Paragon Property or (ii) (in the case of the Paragon Properties in Australia) has proper, legal and good title to such Paragon Property, and in each case free from any Encumbrances, save for Permitted Encumbrances and save where the Paragon Trustee holds such property on trust for the benefit of the Unitholders in accordance with the Paragon Trust Deed or where the trustee of the respective Paragon Subsidiary Trust holds such property on trust for the benefit of the relevant Paragon Group Entity.

12.3 Title Documents

- (a) The terms of the relevant Title Document(s) have been complied with in all material respects and, as far as the Paragon Trustee and the Paragon Manager are aware, there is no material subsisting breach, nor any material non-observance of any covenant, condition or agreement contained in such Title Document(s) on the part of either the relevant lessor, grantor or issuer of such Title Document(s) or any Paragon Group Entity.
- (b) Neither the Paragon Trustee nor any Paragon Group Entity has received any notice from its lessor, grantor or issuer of any Title Documents stating that the Paragon Trustee or such Paragon Group Entity is in material breach or non-observance of any covenant, condition or agreement contained in the relevant Title Document(s) or that the relevant Title Document(s) has been terminated.

12.4 Planning and Development

There is, as far as the Paragon Trustee or the Paragon Manager is aware:

- (a) no pending planning application, planning appeal or other planning proceeding in respect of the Paragon Properties;
- (b) no outstanding government or statutory notice relating to the Paragon Properties or any business carried on thereat or the uses thereof; and
- (c) no pending or threatened proceeding or action by any Governmental Authority to modify the zoning, classification or present use of the Paragon Property or any part thereof,

in each case, except as will not have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.

APPENDIX K – PARAGON WARRANTIES

12.5 Government Acquisition

No written notice has been received from any Governmental Authority with respect to any compulsory acquisition or intended acquisition of land affecting or which is reasonably likely to affect any of the Paragon Properties in whole or in part and which has or is reasonably likely to have a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole.

13. Title to Assets (excluding Paragon Properties)

13.1 All assets of each Paragon Group Entity (excluding the Paragon Properties), including all debts due to each Paragon Group Entity which are included in the PARAGON REIT FY2024 Financial Statements, are the absolute property of such Paragon Group Entity and (save for those subsequently disposed of or realised in the ordinary and usual course of business) all such assets and debts which have subsequently been acquired or arisen are the absolute property of such Paragon Group Entity.

13.2 All such assets are, where capable of possession, in the possession of or under the control of the relevant Paragon Group Entity, or the relevant Paragon Group Entity is entitled to take possession or control of such assets, provided that in the case of assets which have been leased by any Paragon Group Entity to third parties in the ordinary and usual course of carrying on its business, such possession or control on the part of such Paragon Group Entity is subject to the terms and conditions of the relevant lease agreements, contracts or arrangements relating thereto.

14. Employees

14.1 None of the Paragon Group Entities has any employees.

15. Additional Paragon REIT Warranties

Each of the Paragon Trustee and the Paragon Manager severally (and neither jointly nor jointly and severally) warrants to the other Parties with respect to itself, as at the date of the Implementation Agreement and as at the Relevant Date (save where it is expressed to be given at a particular time, in which case, as at such particular time), that:

15.1 it has the power under the Paragon Trust Deed to enter into and perform its obligations under the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement;

15.2 it has taken all necessary corporate action (in accordance with the Paragon Trust Deed) to authorise entry into the Implementation Agreement and has taken or will take all necessary corporate action to authorise the performance of the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement;

15.3 its obligations under the Implementation Agreement are valid, legally binding and enforceable in accordance with its terms;

APPENDIX K – PARAGON WARRANTIES

- 15.4** all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from third parties) in order to:
- (a) enable it to lawfully enter into, exercise its rights and perform and comply with its obligations under the Implementation Agreement have been or will be taken, fulfilled and done; and
 - (b) ensure that those obligations are valid and legally binding and have been or will be taken, fulfilled and done;
- 15.5** neither the execution nor performance by it of the Implementation Agreement nor any transaction contemplated under the Implementation Agreement will violate any provisions of the Paragon Trust Deed or any agreement or instrument to which it is a party or by which it or its assets are bound, except as will not result in a material adverse effect on the business, operations, assets or financial condition of the Paragon Group, taken as a whole;
- 15.6** it has not exercised its powers under the Paragon Trust Deed to release, abandon or restrict any power conferred on it by the Paragon Trust Deed; and
- 15.7** it has a right, in accordance with the terms of the Paragon Trust Deed, to be fully indemnified out of the assets of PARAGON REIT over which it has recourse in respect of payment obligations incurred by it under the Implementation Agreement, and, to the best of its knowledge and after reasonable and due enquiry, it is not aware of anything that would prevent it from being fully indemnified out of the assets of PARAGON REIT over which it has recourse, in accordance with the terms of the Paragon Trust Deed, for any payment obligations under or in connection with the Implementation Agreement or any of the transactions contemplated by the Implementation Agreement.

APPENDIX L – TPPL’S OBLIGATIONS

All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Paragon Manager in Singapore from the date of this Scheme Document up to (and including) the Effective Date.

TPPL shall execute all documents and do or cause to be done all acts and things necessary for the implementation of the Scheme, as expeditiously as practicable, including the following:

- (a) the release of the Joint Announcement by TPPL, jointly with the Paragon Manager, on the date of the Implementation Agreement;
- (b) to furnish to the Paragon Trustee, the Paragon Manager and their advisers such information relating to TPPL as the Paragon Trustee, the Paragon Manager and their advisers may reasonably request for the purpose of the preparation of the Scheme Document in accordance with the Implementation Agreement and addressing any comments or queries from the SGX-ST in relation to the clearance of the Scheme Document (in each case, with such redactions as TPPL may consider reasonably necessary or required);
- (c) (if necessary) to ensure that TPPL, through its legal counsel, is represented at Court hearings in relation to the Scheme at which, if requested by the Court, TPPL shall do or cause to be done all things and take or cause to be taken all steps as may be reasonably required to ensure the fulfilment of its obligations under the Implementation Agreement and the Scheme;
- (d) subject to the grant of the Scheme Court Order, submission of the written notification to the MAS of the grant of the Scheme Court Order in accordance with Clause 4.3 of the Implementation Agreement;
- (e) subject to the satisfaction (or, if applicable, waiver) of the Scheme Conditions and the Scheme becoming effective in accordance with its terms, be bound by the Scheme, and pay or cause to be paid the aggregate Scheme Consideration pursuant to the Scheme by the Scheme Settlement Date, in accordance with the Code and on the terms set out in the Implementation Agreement and the Scheme Document;
- (f) use its reasonable endeavours to procure that the Scheme is implemented on the terms set out in the Implementation Agreement; and
- (g) subject to any legal or statutory obligations or fiduciary duties that the TPPL Directors and TPPL may be subject to, not take any action which would be or is reasonably likely to be prejudicial to the successful completion of the Scheme.

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APPENDIX M – PARAGON REIT’S OBLIGATIONS

All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Paragon Manager in Singapore from the date of this Scheme Document up to (and including) the Effective Date.

Each of the Paragon Trustee (to the extent applicable for the implementation of the Scheme only and, for the avoidance of doubt, excluding paragraph (c) of this **Appendix M** which shall be the obligation of the Paragon Manager only) and the Paragon Manager shall execute all documents and do or cause to be done all acts and things necessary for the implementation of the Scheme, as expeditiously as practicable, including the following:

- (a) the release of the Joint Announcement by the Paragon Manager, jointly with TPPL, on the date of the Implementation Agreement;
- (b) the appointment of the Paragon IFA to (i) advise the Paragon Independent Directors and the Paragon Trustee in connection with the Scheme, (ii) publicly state in its opinion whether the terms of the Scheme are fair and reasonable, and (iii) provide its advice to the Paragon Independent Directors to recommend Minority Unitholders on whether to vote for or against the Scheme;
- (c) where the Paragon IFA has advised (i) that the terms of the Scheme are fair and reasonable and (ii) the Paragon Independent Directors to recommend that the Minority Unitholders vote in favour of the Scheme, the Paragon Manager shall use its best endeavours to procure that the Paragon Independent Directors will similarly recommend to the Minority Unitholders to vote in favour of the Scheme at the Scheme Meeting (the “**Recommendation**”), subject to and without prejudice to the Paragon Independent Directors’ fiduciary duties and the Paragon Independent Directors’, the Paragon Trustee’s and/or the Paragon Manager’s legal, regulatory or statutory obligations (including those under the Code). Notwithstanding the foregoing and for the avoidance of doubt, the Paragon Manager shall not be bound by this paragraph (c) if (A) the Paragon IFA is not of the opinion that the terms of the Scheme are fair and reasonable and/or does not advise the Paragon Independent Directors to recommend that the Minority Unitholders vote in favour of the Scheme; and/or (B) there is a Superior Competing Offer, and in each case, the Paragon Independent Directors having taken professional advice are of the good faith opinion that in discharging their fiduciary duties, they are not able to provide the Recommendation;
- (d) the preparation and despatch of the Scheme Document in compliance with all applicable Laws, to seek the approval of (i) the Unitholders for the Paragon Trust Deed Amendments and (ii) the Minority Unitholders for the Scheme, and to convene the EGM and the Scheme Meeting. The Scheme Document despatched to the Unitholders shall contain a copy of the Paragon IFA’s advice;
- (e) the submission of the draft Scheme Document to the SGX-ST for clearance as soon as reasonably practicable after the date of the Implementation Agreement and diligently seeking such clearance promptly;
- (f) to apply to the Court for an order convening the Scheme Meeting and for any ancillary orders relating thereto, and subject to obtaining the SGX-ST’s clearance of the Scheme Document and the order of the Court to convene the Scheme and any ancillary orders relating thereto, taking all other necessary steps for the convening of (i) the EGM to approve the Paragon Trust Deed Amendments; and (ii) the Scheme Meeting to approve the Scheme;

APPENDIX M – PARAGON REIT’S OBLIGATIONS

- (g) subject to obtaining the SGX-ST’s clearance of the Scheme Document and the order of the Court to convene the Scheme and any ancillary orders relating thereto, arranging for the despatch of the Scheme Document and the appropriate forms of proxy for use at the EGM and the Scheme Meeting to the Unitholders and the Minority Unitholders respectively, promptly following the clearance thereof by the SGX-ST and such orders of the Court being obtained (as the case may be);
- (h) subject to the Paragon Trust Deed Amendments being approved by the Unitholders and the Scheme being approved by the Minority Unitholders and all other Scheme Conditions being satisfied (save for any Scheme Condition which may only be satisfied on the Relevant Date), promptly applying to the Court for, and diligently seeking its sanction of, the Scheme;
- (i) subject to the Paragon Trustee’s and/or the Paragon Manager’s legal and regulatory obligations, to consult in good faith with TPPL with a view to establishing appropriate procedures to provide TPPL with access to information which it may reasonably require for the purposes of the Scheme, and to facilitate the timely notification of material matters affecting the business of the Paragon Group to TPPL, provided that any such procedures and notifications are made in compliance with all applicable Laws, including applicable Laws with respect to gun-jumping and conflicts of interest;
- (j) use its reasonable endeavours to procure that the Scheme is implemented on the terms set out in the Implementation Agreement, including complying with all procedures and processes imposed by the Court in connection with the Scheme;
- (k) furnish a copy of the Scheme Court Order to TPPL promptly upon receiving the same, and extend any assistance as may be required by TPPL in relation to its submission of the written notification to the MAS of the grant of the Scheme Court Order in accordance with Clause 4.3 of the Implementation Agreement; and
- (l) subject to any legal or statutory obligations or fiduciary duties that the Paragon Directors, the Paragon Trustee and the Paragon Manager may be subject to and the Paragon Trustee’s and the Paragon Manager’s rights and obligations under the Implementation Agreement, not take any action which would be or is reasonably likely to be prejudicial to the successful completion of the Scheme.

APPENDIX N – MANNER OF CONVENING SCHEME MEETING

The manner of convening the Scheme Meeting as ordered by the Court under the Scheme Meeting Court Order is set out below:

1. Convening, holding or conducting of the Scheme Meeting

- (a) The Paragon Manager and the Paragon Trustee shall be at liberty to convene the Scheme Meeting at a date, time and/or location to be determined by the Paragon Manager and the Paragon Trustee.
- (b) The minutes of the Scheme Meeting shall be published on SGXNet and the corporate website of PARAGON REIT within one (1) month after the date of the Scheme Meeting.

2. Right or entitlement to speak on a resolution at the Scheme Meeting

The Paragon Manager and the Paragon Trustee may require that a Unitholder shall, before the Scheme Meeting, send to the Chairman of the Scheme Meeting, by post or e-mail, the matters which the Unitholder wishes to raise at the Scheme Meeting, and each such matter, if substantial and relevant and sent within a reasonable time before the Scheme Meeting, is to be responded to at or before the Scheme Meeting in any manner the Paragon Manager and the Paragon Trustee determines appropriate.

3. Quorum

The quorum shall be not less than two (2) Minority Unitholders (whether present in person or by proxy) together holding or representing one-tenth in value of all the Units held by the Minority Unitholders for the time being in issue.

4. Voting by a Unitholder at the Scheme Meeting

- (a) Each Unitholder entitled to attend and vote at the Scheme Meeting may attend in person or shall be entitled to appoint a proxy. The proxy need not be a Unitholder and may be the Chairman of the Scheme Meeting.
- (b) Each Unitholder who wishes to appoint a proxy(ies) must complete the Proxy Form B (Scheme Meeting) in accordance with the instructions printed thereon and lodge it with the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., via e-mail to srs.proxy@boardroomlimited.com or by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632, in either case, not less than 72 hours before the time fixed for the Scheme Meeting.
- (c) Each Unitholder which is not a relevant intermediary who is entitled to attend and vote at the Scheme Meeting may appoint only one proxy to attend and vote in his/her/its stead and may only cast all the voting rights attached to his/her/its Units at the Scheme Meeting (whether in person or by proxy) in one way. Where a Unitholder which is not a relevant intermediary appoints more than one proxy, such additional appointments shall be invalid.

APPENDIX N – MANNER OF CONVENING SCHEME MEETING

- (d) In relation to any Unitholder which is a relevant intermediary:
- (i) subject to paragraph 4(d)(ii) below, a Unitholder which is a relevant intermediary need not cast all the voting rights attached to the Units held on behalf of its sub-account holders in the same way, provided that (A) each vote is exercised in relation to a different Unit, and (B) a Unitholder which is a relevant intermediary may only cast the voting rights attached to all or any of the Units in each sub-account at the Scheme Meeting in one way but, for the avoidance of doubt, the voting rights of such Units need not be cast in the same way as the Units in another sub-account; and
 - (ii) a Unitholder which is a relevant intermediary may appoint more than two proxies in relation to the Scheme Meeting to exercise all or any of such Unitholder's rights to attend and to speak and vote at the Scheme Meeting, but each proxy must be appointed to exercise the voting rights attached to a different Unit or Units held by the Unitholder on behalf of its sub-account holders (which number and class of Units must be specified), provided that no more than one proxy may be given in respect of each sub-account which holds Units. Where a proxy is appointed in accordance with this paragraph 4(d)(ii) in respect of Units held on behalf of only one sub-account holder, such proxy may only cast the voting rights attached to all or any of the Units in such sub-account at the Scheme Meeting in one way.
- (e) For the purpose of determining whether the Paragon Scheme Resolution is passed by a majority in number of Minority Unitholders (the "**Headcount Condition**") representing at least three-fourths in value (the "**Value Condition**") of the Units held by the Minority Unitholders present and voting either in person or by proxy at the Scheme Meeting:
- (i) each proxy appointed in accordance with paragraph 4(c) above and which casts a vote in respect of its Units for or against the Scheme shall be treated as:
 - (A) casting one vote in number for the purposes of the Headcount Condition; and
 - (B) the value represented by the proxy for the purposes of the Value Condition shall be the number of Units in relation to which voting rights are being exercised by the proxy.

For the avoidance of doubt, where a person has been appointed as the proxy of more than one Unitholder to vote at the Scheme Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing Unitholder for the purposes of the Headcount Condition and the Value Condition; provided that the proxy is exercising the voting rights attached to a different Unit or Units (which number and class of Units must be specified);

APPENDIX N – MANNER OF CONVENING SCHEME MEETING

- (ii) each proxy appointed in accordance with paragraph 4(d)(ii) above or each sub-account holder on whose behalf the Unitholder which is a relevant intermediary holds Units, and which casts a vote in respect of its Units for or against the Scheme shall be:
 - (A) treated as casting one vote in number for the purposes of the Headcount Condition; and
 - (B) the value represented by the proxy or sub-account holder for the purposes of the Value Condition shall be the number of Units in relation to which voting rights are being exercised by the proxy or the sub-account holder.

Where a person has been appointed as proxy in accordance with paragraph 4(d)(ii) above of more than one sub-account holder to vote at the Scheme Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing sub-account holder for the purposes of the Headcount Condition and the Value Condition; provided that such proxy is exercising the voting rights attached to a different Unit or Units (which number and class of Units must be specified). The Unitholder which is a relevant intermediary shall submit to the Unit Registrar:

- (1) via e-mail to srs.proxy@boardroomlimited.com; or
- (2) by post, to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

the list of these sub-account holder(s) (which sets out the name of each sub-account holder, the number of Units attributed to each sub-account holder, and whether the sub-account holder has voted in favour of or against the Scheme in respect of such Units). Each sub-account holder may only vote one way in respect of all or any part of the Units in such sub-account;

- (iii) where a Unitholder which is a relevant intermediary casts the voting rights attached to the Units held on behalf of its sub-account holder(s) both for and against the Scheme without submitting to the Unit Registrar the information required under paragraph 4(e)(ii) then, without prejudice to the treatment of any proxies appointed in accordance with paragraph 4(d)(ii) above:
 - (A) such relevant intermediary shall be treated as casting one vote in favour of the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes for the Scheme than against the Scheme;
 - (B) such relevant intermediary shall be treated as casting one vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes against the Scheme than for the Scheme;
 - (C) such relevant intermediary shall be treated as casting one vote for and one vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts equal votes for and against the Scheme; and

APPENDIX N – MANNER OF CONVENING SCHEME MEETING

- (D) with respect to each of the scenarios set out in paragraphs 4(e)(iii)(A), 4(e)(iii)(B) and 4(e)(iii)(C) above, the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Units in relation to which voting rights “for” and “against” the Scheme are being exercised by the relevant intermediary;
- (iv) if any Unitholder fails to submit a Proxy Form B (Scheme Meeting) (if applicable) in the manner and within the period stated therein or if the Proxy Form B (Scheme Meeting) (if applicable) is incomplete, improperly completed, illegible or where the true intentions of the Unitholder are not ascertainable from the instructions of the Unitholder specified in the Proxy Form B (Scheme Meeting) (if applicable), the Unitholder and the proxy of such Unitholder (if applicable) may only be admitted to the Scheme Meeting at the discretion of the Chairman of the Scheme Meeting. Any such Unitholder shall, nonetheless, be bound by the terms of the Scheme in the event that it becomes effective; and
- (v) for the purposes of voting at the Scheme Meeting, the Paragon Manager shall be entitled to reject any Proxy Form B (Scheme Meeting) lodged by a Unitholder if the Unitholder is not shown to be a Unitholder in the Register of Unitholders or the Depository Register (collectively, the “**Registers**”) as at 72 hours before the time of the Scheme Meeting.

5. Laying and production of documents at the Scheme Meeting

- (a) The Scheme Document and any other document to be laid or produced at least 21 clear days before the Scheme Meeting may be so laid or produced by being sent or published in the manner provided in paragraph 6 below.
- (b) Unitholders (including Overseas Unitholders) may also submit a request to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., either:
 - (i) via e-mail to srs.requestform@boardroomlimited.com; or
 - (ii) by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

for a printed copy of the Scheme Document to be sent to an address in Singapore specified by the Unitholder by ordinary post up to five (5) Market Days prior to the date of the Scheme Meeting at such Unitholders’ own risk.

6. Giving of notice of the Scheme Meeting

- (a) The Scheme Meeting (including any adjourned or postponed meeting) may be called by notice in writing (“**Notice of Scheme Meeting**”) of not less than 21 clear days (i.e. not inclusive of the day on which the Notice of Scheme Meeting is served and the day of the Scheme Meeting) before the date of the Scheme Meeting, published on SGXNet and the website of PARAGON REIT.

APPENDIX N – MANNER OF CONVENING SCHEME MEETING

- (b) The Notice of Scheme Meeting:
- (i) shall set out the date, time and venue of the Scheme Meeting;
 - (ii) shall provide instructions on how Unitholders can locate the Scheme Document electronically;
 - (iii) shall set out how a Unitholder may vote (either in person or by proxy) at the Scheme Meeting;
 - (iv) shall state how a Unitholder may submit questions in advance of the Scheme Meeting or during the Scheme Meeting; and
 - (v) may be accompanied by any other document relevant to the Scheme Meeting.
- (c) The Notice of Scheme Meeting (along with the Proxy Form B (Scheme Meeting)) shall be sent to Unitholders at least 21 clear days (i.e. not inclusive of the day on which the Notice of Scheme Meeting is served and the day of the Scheme Meeting) before the date of the Scheme Meeting in the following manner:
- (i) in the case of Unitholders whose Units are not deposited with the CDP, by ordinary post to or left at the Unitholder's address as appearing in the Register of Unitholders or in the case of joint Unitholders, to the joint Unitholder whose name stands first in the Register of Unitholders; and
 - (ii) in the case of Unitholders whose Units are deposited with the CDP, by ordinary post to or left at the Unitholder's address as appearing in the Depository Register, or in the case of joint Unitholders, to the joint Depositor whose name stands first as appearing in the Depository Register,
- save that, where there are potential restrictions on sending the Notice of Scheme Meeting and/or the Scheme Document to any overseas jurisdiction, the Paragon Manager and the Paragon Trustee reserve the right not to send the Notice of Scheme Meeting and/or the Scheme Document to the Unitholders in such overseas jurisdiction.
- (d) In addition, not less than 21 clear days before the date of the Scheme Meeting (i.e. not inclusive of the day on which the Notice of Scheme Meeting is served and of the day of the Scheme Meeting), the Notice of Scheme Meeting shall be advertised in one issue of "*The Straits Times*" and "*Lianhe Zaobao*" newspapers.

7. Others

- (a) Dr. Leong Horn Kee, the Chairman of the board of directors of the Paragon Manager, and Non-Executive and Non-Independent Director of the Paragon Manager, or failing him, any other director of the Paragon Manager present at the Scheme Meeting, shall be appointed to act as Chairman of the Scheme Meeting and to report the voting results of the Scheme Meeting to the Court as soon as practicable after the conclusion of the Scheme Meeting.
- (b) Any accidental omission to give any Unitholder notice of the Scheme Meeting or the non-receipt of such notice by any Unitholder shall not invalidate the proceedings at the Scheme Meeting, unless otherwise ordered by the Court.

APPENDIX N – MANNER OF CONVENING SCHEME MEETING

- (c) Save where expressly provided herein, the provisions of the Paragon Trust Deed in relation to meetings of Unitholders may be applied in respect of the Scheme Meeting as appropriate at the discretion of the Chairman of the Scheme Meeting.
- (d) The Chairman of the Scheme Meeting shall be at liberty to adjourn the Scheme Meeting for such period as he shall deem appropriate.
- (e) Not less than 21 clear days before the date of the Scheme Meeting (i.e. not inclusive of the day on which the Notice of Scheme Meeting is served and of the day of the Scheme Meeting), the Scheme Document consisting of, *inter alia*, the following:
 - (i) a Letter to Unitholders from the Paragon Managers to the Unitholders containing details of, *inter alia*, the purpose of the Scheme Document and information relating to the Scheme;
 - (ii) a letter from the Paragon IFA;
 - (iii) a letter from TPPL to the Unitholders;
 - (iv) the Notice of Scheme Meeting; and
 - (v) the Proxy Form B (Scheme Meeting),

shall be published on SGXNet and the corporate website of PARAGON REIT, and if determined to be feasible and expedient by the Paragon Manager, sent to the Unitholders together with the Notice of Scheme Meeting in accordance with paragraph 6(c) above. Unitholders may also obtain copies of the Scheme Document to be sent at his/her/its own risk to an address in Singapore specified by such Unitholder, by requesting for the same from the Paragon Manager in accordance with the procedures stipulated by the Paragon Manager.

APPENDIX O – THE SCHEME

TRUST SCHEME OF ARRANGEMENT

Under Order 32 of the Rules of Court 2021 of Singapore

In the matter of

PARAGON REIT

(formerly known as SPH REIT)

(a real estate investment trust constituted on 7 November 2016
under the laws of the Republic of Singapore)

Between

1. **PARAGON REIT MANAGEMENT PTE. LTD. (in its capacity as manager of PARAGON REIT)** (Company Registration No. 201305497E)
2. **DBS TRUSTEE LIMITED (in its capacity as trustee of PARAGON REIT)** (Company Registration No. 197502043G)

And

THE UNITHOLDERS

(as defined herein)

And

TIMES PROPERTIES PRIVATE LIMITED

(Company Registration No. 195900026E)

APPENDIX O – THE SCHEME

CONTENTS

1. Definitions
2. Preamble
3. Scheme Conditions and Effectiveness of this Scheme
4. Terms of this Scheme
5. Scheme Consideration
6. Effective Date
7. Proper Law and Jurisdiction
8. Contracts (Rights of Third Parties) Act 2001
9. Capacity and Liability of the Paragon Trustee

APPENDIX O – THE SCHEME

1. DEFINITIONS

1.1 In this Scheme (as defined below), except where the context or subject matter otherwise indicates or requires, the following words and phrases shall have the meanings set out opposite them:

“2H FY2024”	:	The six (6)-month period ended 31 December 2024
“2H FY2024 Distribution”	:	The distribution of 2.33 Singapore cents for each Unit in cash in respect of 2H FY2024 announced by the Paragon Manager on 11 February 2025
“Business Day”	:	A day (other than Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore for the transaction of normal banking business
“Cash Ledger”	:	Has the meaning ascribed to it in CDP’s “ <i>The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions</i> ” as amended, modified or supplemented from time to time, copies of which are available from CDP
“CDP”	:	The Central Depository (Pte) Limited
“Code”	:	The Singapore Code on Take-overs and Mergers
“Court”	:	The General Division of the High Court of the Republic of Singapore or where applicable on appeal, the Appellate Division of the High Court of the Republic of Singapore and/or the Court of Appeal of the Republic of Singapore
“CP”	:	Cuscaden Peak Pte. Ltd. (Company Registration No. 202135018H), a company incorporated in the Republic of Singapore and having its registered office at 88 Market Street #40-01, CapitaSpring, Singapore 048948
“Cuscaden Peak Group”	:	CP and its subsidiaries (including TPPL)
“Effective Date”	:	The date on which this Scheme becomes effective in accordance with its terms
“Excess Distribution”	:	Any distribution in excess of the 2H FY2024 Distribution declared, made or paid by the Paragon Manager on or after 11 February 2025

APPENDIX O – THE SCHEME

“Implementation Agreement”	:	The implementation agreement dated 11 February 2025 entered into between TPPL, the Paragon Trustee and the Paragon Manager setting out the terms and conditions on which this Scheme will be implemented
“Long-Stop Date”	:	11 August 2025, being the date falling six (6) months from the date of the Implementation Agreement (or such other date as the Parties may agree in writing)
“Minority Unitholders”	:	Unitholders other than the Cuscaden Peak Group
“Paragon Manager”	:	PARAGON REIT Management Pte. Ltd. (Company Registration No. 201305497E), in its capacity as manager of PARAGON REIT, whose registered office is at 290 Orchard Road, #14-05/06, The Paragon, Singapore 238859
“PARAGON REIT”	:	The PARAGON REIT (SGX: SK6U), a REIT listed on the Mainboard of the SGX-ST
“Paragon Trust Deed”	:	The Deed of Trust dated 9 July 2013 constituting PARAGON REIT (formerly known as SPH REIT) entered into between the Paragon Manager and the Paragon Trustee, as supplemented by a first supplemental deed dated 7 November 2016, a second supplemental deed dated 6 January 2017, a third supplemental deed dated 29 July 2022, a fourth supplemental deed dated 3 January 2023, a fifth supplemental deed dated 28 February 2025 and as may be amended, supplemented or varied from time to time (including as may be amended by the Paragon Trust Deed Amendments)
“Paragon Trust Deed Amendments”	:	The proposed amendments to the Paragon Trust Deed to facilitate the implementation of this Scheme
“Paragon Trustee”	:	DBS Trustee Limited (Company Registration No. 197502043G), in its capacity as trustee of PARAGON REIT, whose registered office is at 12 Marina Boulevard, Marina Bay Financial Centre Tower 3, Singapore 018982
“Parties”	:	TPPL, the Paragon Trustee and the Paragon Manager, and “Party” means any one of them

APPENDIX O – THE SCHEME

“Record Date”	:	The date to be announced (before the Effective Date) by the Paragon Manager on which the Register of Unitholders will be closed in order to determine the entitlements of the Minority Unitholders in respect of this Scheme
“Register of Unitholders”	:	The register showing all Units at any one time
“REIT”	:	Real estate investment trust
“Relevant Date”	:	The date falling on the Business Day immediately preceding the Effective Date
“S\$” and “Singapore cents”	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
“Scheme”	:	The proposed privatisation of PARAGON REIT, which will be effected through the acquisition by TPPL of all the Units held by the Minority Unitholders, by way of a trust scheme of arrangement
“Scheme Conditions”	:	The conditions precedent set out in the Implementation Agreement and reproduced in Appendix G to the Scheme Document
“Scheme Consideration”	:	S\$0.9800 in cash for each Unit held by each of the Minority Unitholders as at the Record Date
“Scheme Court Order”	:	The order of the Court sanctioning this Scheme under Order 32 of the Rules of Court 2021 of Singapore
“Scheme Document”	:	The document issued by the Paragon Manager on behalf of PARAGON REIT to all Unitholders setting out detailed information on this Scheme and the terms and conditions upon which this Scheme will be implemented by the Paragon Manager and TPPL
“Scheme Settlement Date”	:	The date falling not later than seven (7) Business Days after the Effective Date
“Securities Account”	:	The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SGX-ST”	:	Singapore Exchange Securities Trading Limited

APPENDIX O – THE SCHEME

“TPPL”	:	Times Properties Private Limited (Company Registration No. 195900026E), a company incorporated in the Republic of Singapore and having its registered office at 135 Cecil Street, #10-01, Philippine Airlines Building, Singapore 069536
“Unitholders”	:	The unitholders of PARAGON REIT
“Units”	:	The units in PARAGON REIT

- 1.2 The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.
- 1.3 The headings in this Scheme are inserted for convenience only and shall be ignored in construing this Scheme.
- 1.4 Words denoting the singular number only shall, where applicable, include the plural number and *vice versa*, and words denoting persons only shall, where applicable, include firms and corporations.
- 1.5 Any reference to any document or agreement shall include a reference to such document or agreement as amended, modified, supplemented and/or varied from time to time.
- 1.6 Words importing any gender shall, where applicable, include the other gender and references to any person shall, where applicable, include that person’s successor and permitted assigns.
- 1.7 Any reference to a statutory provision shall include such provision and any regulations made in pursuance thereof as may from time to time be modified or re-enacted whether before or after the date of this Scheme.
- 1.8 Any reference in this Scheme to a time of day and date shall be a reference to Singapore time and date, unless otherwise stated.

2. PREAMBLE

- 2.1 PARAGON REIT is a REIT constituted in the Republic of Singapore under the Paragon Trust Deed. PARAGON REIT is managed by the Paragon Manager.
- 2.2 PARAGON REIT was listed on the Mainboard of the SGX-ST on 24 July 2013.
- 2.3 On 11 February 2025, the respective boards of directors of the Paragon Manager and TPPL jointly announced the Scheme, which shall be effected through the acquisition by TPPL of all the Units held by Minority Unitholders by way of a trust scheme of arrangement in accordance with the Code.
- 2.4 TPPL, the Paragon Trustee and the Paragon Manager have entered into the Implementation Agreement which sets out the agreed terms and conditions on which this Scheme will be implemented, and their respective rights and obligations with respect to this Scheme.

APPENDIX O – THE SCHEME

2.5 The main purpose of this Scheme is to give effect to the privatisation of PARAGON REIT.

2.6 The Paragon Manager has agreed to appear by legal counsel at the hearing of the application to sanction this Scheme, and to consent thereto, and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary and desirable to be executed or done by it for the purpose of giving effect to this Scheme.

3. SCHEME CONDITIONS AND EFFECTIVENESS OF THIS SCHEME

This Scheme is conditional upon the Scheme Conditions (as reproduced in **Appendix G** to the Scheme Document) being satisfied or waived, as the case may be, in accordance with the terms of the Implementation Agreement.

4. TERMS OF THIS SCHEME

4.1 This Scheme is proposed to be effected in accordance with the Code and the Paragon Trust Deed, subject to the terms and conditions of the Implementation Agreement. Subject to this Scheme becoming effective and binding in accordance with the terms herein, all the Units held by the Minority Unitholders, as at the Record Date, will be transferred to TPPL:

- (a) fully paid;
- (b) free from any charge, claim, hypothecation, lien, mortgage, power of sale, retention of title, or security interest of any kind over and in respect of such asset or real property, any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which any such asset or real property is subject or any right or option for the sale or purchase of any such asset or real property and any other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing; and
- (c) together with all rights, benefits and entitlements attaching thereto as at the date of the Implementation Agreement and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the Paragon Manager on or after the date of the Implementation Agreement, except for the 2H FY2024 Distribution,

such that on and from the Scheme Settlement Date, the Cuscaden Peak Group will hold 100% of the Units.

4.2 For the purpose of giving effect to this Scheme, TPPL and the Paragon Manager will (subject to the Scheme Conditions having been satisfied or, as the case may be, waived in accordance with the Implementation Agreement) take the necessary steps to render this Scheme effective and binding, and the following will be implemented:

- (a) the Units will be transferred to TPPL as follows:
 - (i) in the case of Minority Unitholders (not being Depositors), the Paragon Manager shall authorise any person to execute or effect on behalf of all such Minority Unitholders an instrument or instruction of transfer of all the Units held by such

APPENDIX O – THE SCHEME

Minority Unitholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Minority Unitholder; and

- (ii) in the case of Minority Unitholders (being Depositors), the Paragon Manager shall instruct CDP, for and on behalf of such Minority Unitholders, to debit, not later than seven (7) Business Days after the Effective Date, all of the Units standing to the credit of the Securities Account(s) of such Minority Unitholders and credit all of such Units to the Securities Account(s) of TPPL;
- (b) from the Effective Date, all the existing confirmation notes relating to the Units held by Minority Unitholders (not being Depositors) will cease to be evidence of title of the Units represented thereby;
- (c) the Minority Unitholders (not being Depositors) are required to forward their existing confirmation notes relating to their Units to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation; and
- (d) TPPL shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Units set out in Clause 4.2(a) above, make payment of the Scheme Consideration to the Minority Unitholders in the manner set out in Clause 5 below.

5. SCHEME CONSIDERATION

- 5.1 Pursuant to the terms of the Implementation Agreement, TPPL will, subject to this Scheme becoming effective in accordance with the terms herein, pay or procure the payment of the Scheme Consideration, being S\$0.9800 for each Unit held by each Minority Unitholder as at the Record Date (rounded down to the nearest S\$0.01) in accordance with the terms and conditions of the Implementation Agreement.
- 5.2 For the avoidance of doubt and without prejudice to Clause 5.3, the Paragon Manager shall be entitled to declare, make or pay the 2H FY2024 Distribution without any adjustment to the Scheme Consideration. The Minority Unitholders who are entitled to and have received payment of the 2H FY2024 Distribution shall have the right to receive and retain the 2H FY2024 Distribution in addition to the Scheme Consideration.
- 5.3 In the event that any Excess Distribution is declared, made or paid by the Paragon Manager on or after the date of the Implementation Agreement, TPPL shall have the right to adjust the Scheme Consideration so as to reduce the amount of Scheme Consideration payable for each Unit by an amount equivalent to such Excess Distribution.
- 5.4 TPPL shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Units set out in Clause 4.2(a) of this Scheme:
 - (a) **Minority Unitholders whose Units are not deposited with CDP**

Pay each Minority Unitholder (not being a Depositor) by sending a cheque for the Scheme Consideration payable to and made out in favour of each Minority Unitholder by ordinary post to his/her/its address as appearing in the Register of Unitholders at

APPENDIX O – THE SCHEME

the close of business on the Record Date, at the sole risk of such Minority Unitholder, or in the case of joint Minority Unitholders, to the first named Minority Unitholder made out in favour of such Minority Unitholder by ordinary post to his/her/its address as appearing in the Register of Unitholders at the close of business on the Record Date, at the sole risk of such joint Minority Unitholders.

In respect of such cheques relating to the Scheme Consideration posted to each Minority Unitholder (not being a Depositor):

- (i) on and after the date falling six (6) calendar months after the posting of such cheques relating to the Scheme Consideration, TPPL shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in TPPL's name with a licensed bank in Singapore selected by TPPL;
- (ii) TPPL or its successor entities shall hold such moneys until the expiration of six (6) years from the Effective Date and shall, prior to such date, make payments therefrom of the sums payable pursuant to Clause 5.4(a)(i) of this Scheme to persons who satisfy TPPL or its successor entities that they are entitled thereto and that the cheques referred to in Clause 5.4(a) of this Scheme for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by TPPL hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to this Clause 5.4(a)(ii) of this Scheme; and
- (iii) on the expiry of six (6) years from the Effective Date, TPPL shall be released from any further obligation to make any payments of the Scheme Consideration under this Scheme.

(b) Minority Unitholders whose Units are deposited with CDP

Pay each Minority Unitholder (being a Depositor) by making payment of the Scheme Consideration payable to such Minority Unitholder to CDP. CDP shall:

- (i) in the case of a Minority Unitholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Scheme Consideration payable to such Minority Unitholder to the designated bank account of such Minority Unitholder; and
- (ii) in the case of a Minority Unitholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Scheme Consideration to such Minority Unitholder's Cash Ledger and such Scheme Consideration shall be subject to the same terms and conditions as applicable to "*Cash Distributions*" under CDP's "*The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions*" as amended, modified or supplemented from time to time, copies of which are available from CDP.

APPENDIX O – THE SCHEME

6. EFFECTIVE DATE

- 6.1 This Scheme shall become effective upon the written notification to the MAS of the grant of the Scheme Court Order, which shall be effected by or on behalf of TPPL:
- (a) on a date to be mutually agreed in writing between TPPL and the Paragon Manager, being a date within 25 Business Days from the date that the last of the Scheme Conditions set out in paragraphs (a) (*Unitholders' Approvals*), (b) (*Regulatory Approvals*), (c) (*Tax Approvals*), (h) (*Authorisations and Consents*) and (i) (*Third Parties*) of **Appendix G** to the Scheme Document is satisfied (or, where applicable, waived), in accordance with the terms of the Implementation Agreement; and
 - (b) provided that the rest of the Scheme Conditions set out in paragraphs (d) (*No Legal or Regulatory Restraint*), (e) (*No Prescribed Occurrence*), (f) (*No Breach of Warranties*) and (g) (*No Paragon Material Adverse Effect*) of **Appendix G** to the Scheme Document are satisfied (or, where applicable, waived) on the Relevant Date, as the case may be, in accordance with the terms of the Implementation Agreement.

Unless this Scheme shall have become effective and binding as aforesaid on or before the Long-Stop Date, this Scheme shall lapse.

- 6.2 The Paragon Manager, the Paragon Trustee and TPPL may jointly consent in writing, for and on behalf of all concerned, to any modification of, or amendment to, this Scheme or to any condition which the Court may think fit to approve or impose.
- 6.3 In the event that this Scheme does not become effective and binding for any reason, the expenses and costs incurred by the Paragon Manager in connection with this Scheme will be paid out of the assets of PARAGON REIT.

7. PROPER LAW AND JURISDICTION

- 7.1 This Scheme shall be governed by, and construed in accordance with, the laws of the Republic of Singapore.
- 7.2 The Paragon Manager, the Paragon Trustee, TPPL and the Unitholders hereby irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

8. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 2001

A person who is not a party to this Scheme has no rights under the Contracts (Rights of Third Parties) Act 2001 to enforce any term or provision of this Scheme.

9. CAPACITY AND LIABILITY OF THE PARAGON TRUSTEE

- 9.1 Notwithstanding any provision to the contrary in this Scheme, the Parties agree and acknowledge that DBS Trustee Limited (Company Registration No. 197502043G) (“**DBST**”) has entered into this Scheme solely in its capacity as trustee of PARAGON REIT and not in its personal capacity and all references to the “**Paragon Trustee**” in this Scheme shall be construed accordingly. As such, notwithstanding any provision to the contrary in this Scheme, DBST has assumed all obligations under this Scheme solely in its capacity as trustee of PARAGON REIT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty given or to be given by the Paragon

APPENDIX O – THE SCHEME

Trustee under this Scheme is given by DBST in its capacity as trustee of PARAGON REIT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent or delegate is limited to the assets of PARAGON REIT over which DBST in its capacity as trustee of PARAGON REIT has recourse and shall not extend to any personal assets of DBST or any assets held by DBST in its capacity as trustee of any other trust. Any obligation, matter, act, action or thing required to be done, performed, or undertaken or any covenant, warranty or undertaking given by the Paragon Trustee under this Scheme shall only be in connection with matters relating to PARAGON REIT and shall not extend to the obligations of DBST in respect of any other trust or real estate investment trust of which it is a trustee.

- 9.2 Notwithstanding any provision to the contrary in this Scheme, the Parties hereby acknowledge and agree that the obligations of the Paragon Trustee under this Scheme shall be solely the corporate obligations of DBST and that the Parties shall not have any recourse against the shareholders, directors, officers or employees of DBST for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of this Scheme.
- 9.3 For the avoidance of doubt, any legal action or proceedings commenced against the Paragon Trustee whether in Singapore or elsewhere pursuant to this Scheme shall be brought against DBST in its capacity as trustee of PARAGON REIT and not in its personal capacity.
- 9.4 The provisions of this Clause 9 shall survive the termination or rescission of this Scheme, and shall apply, *mutatis mutandis*, to any notice, certificate or other document which the Paragon Trustee issues under or pursuant to this Scheme as if expressly set out therein.

Dated this 27th day of March 2025

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APPENDIX P – NOTICE OF EXTRAORDINARY GENERAL MEETING

PARAGON REIT

PARAGON REIT

(a real estate investment trust constituted on 9 July 2013
under the laws of the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the holders of units of PARAGON REIT (the “**Unitholders**”) will be convened and held at Simpor Junior Ballroom, Level 4, Sands Expo & Convention Centre, 10 Bayfront Avenue, Singapore 018956 on **22 April 2025** at **2.30 p.m.** for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution:

THE PARAGON TRUST DEED AMENDMENTS RESOLUTION (EXTRAORDINARY RESOLUTION)

“RESOLVED THAT:

- (a) approval be and is hereby given to amend the Deed of Trust dated 9 July 2013 constituting PARAGON REIT (formerly known as SPH REIT), as supplemented by a first supplemental deed dated 7 November 2016, a second supplemental deed dated 6 January 2017, a third supplemental deed dated 29 July 2022, a fourth supplemental deed dated 3 January 2023, a fifth supplemental deed dated 28 February 2025 and as may be amended, supplemented or varied from time to time (the “**Paragon Trust Deed**”), with the proposed amendments to the Paragon Trust Deed (the “**Paragon Trust Deed Amendments**”) as described and set out in **Appendix D** to the Scheme Document; and
- (b) each of the Paragon Manager, any director of the Paragon Manager (“**Paragon Director**”), and DBS Trustee Limited (Company Registration No. 197502043G) (in its capacity as trustee of PARAGON REIT, the “**Paragon Trustee**”) be and is hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Paragon Manager, such Paragon Director, or as the case may be, the Paragon Trustee, may consider expedient or necessary or in the interests of PARAGON REIT to give effect to the Paragon Trust Deed Amendments.”

By Order of the Board of Directors

PARAGON REIT Management Pte. Ltd.
(Company Registration No. 201305497E)
As manager of PARAGON REIT

Huang Jinyang, Brent
Company Secretary

Singapore
27 March 2025

APPENDIX P – NOTICE OF EXTRAORDINARY GENERAL MEETING

All references to the Scheme Document in this Notice of EGM shall mean the scheme document dated 27 March 2025 issued by the Paragon Manager on behalf of PARAGON REIT to the Unitholders (the “**Scheme Document**”). All capitalised terms used but not otherwise defined herein shall have the same meanings given to them in the Scheme Document.

IMPORTANT NOTICE FROM THE PARAGON MANAGER:

The EGM will be convened and held in a wholly physical format at Simpor Junior Ballroom, Level 4, Sands Expo & Convention Centre, 10 Bayfront Avenue, Singapore 018956 on 22 April 2025 at 2.30 p.m.. There will be no option for Unitholders to participate virtually.

Electronic copies of the Scheme Document (together with this Notice of EGM, the Notice of Scheme Meeting, the Proxy Form A (EGM), the Proxy Form B (Scheme Meeting) and the Request Form) have been made available via publication on SGXNet at <https://www.sgx.com/securities/company-announcements> and the website of PARAGON REIT at <https://www.paragonreit.com.sg/proposed-privatisation/>. A Unitholder will need an internet browser and PDF reader to view these documents on SGXNet and the corporate website of PARAGON REIT. A printed copy of the Scheme Document will **NOT** be despatched to Unitholders (unless upon request). Instead, only printed copies of this Notice of EGM, the Notice of Scheme Meeting, the Proxy Form A (EGM), the Proxy Form B (Scheme Meeting) and the Request Form will be despatched to Unitholders.

Unitholders (including Overseas Unitholders) may obtain printed copies of the Scheme Document by submitting the Request Form to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., either: (a) via e-mail to srs.requestform@boardroomlimited.com; or (b) by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632, in either case by no later than 5.00 p.m. on 14 April 2025. Printed copies of the Scheme Document will be sent to the address in Singapore specified by the Unitholder by ordinary post at its own risk, up to five (5) Market Days prior to the date of the EGM and the Scheme Meeting.

Notes:

Arrangements for Conduct of the EGM

- (1) Arrangements relating to the conduct of the EGM, including:
- (a) attending the EGM in person;
 - (b) submitting questions related to the Paragon Trust Deed Amendments Resolution to be tabled for approval at the EGM, in advance of the EGM or at the EGM itself; and/or
 - (c) voting at the EGM by the Unitholder (i) in person or (ii) by his/her/its duly appointed proxy,

are set out in this Notice of EGM. Any reference to a time of day is made by reference to Singapore time.

Unitholders, including CPFIS Investors and SRS Investors, or, where applicable, their appointed proxy who will be attending the EGM in person should bring along their NRIC/passport so as to enable the verification of their identity on the day of the EGM.

Questions & Answers, Minutes of EGM

- (2) Unitholders, including CPFIS Investors and SRS Investors, may submit questions related to the Paragon Trust Deed Amendments Resolution to be tabled for approval at the EGM, in advance of the EGM. To do so, all questions must be submitted in the following manner by 2.30 p.m. on 15 April 2025:

- (a) if submitted electronically, via e-mail to ir@paragonreit.com.sg; or
- (b) if submitted by post, be deposited at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632.

APPENDIX P – NOTICE OF EXTRAORDINARY GENERAL MEETING

- (3) Unitholders, including CPFIS Investors and SRS Investors, who submit questions via e-mail to the Paragon Manager or by post to the Unit Registrar must provide the following information:
- (a) the Unitholder's full name;
 - (b) the Unitholder's full address; and
 - (c) the manner in which the Unitholder holds Units in PARAGON REIT (e.g. via CPFIS or SRS).
- (4) The Paragon Manager will endeavour to address all substantial and relevant questions received by it in the manner set out above by 2.30 p.m. on 17 April 2025 and the responses will be posted on SGXNet and the corporate website of PARAGON REIT.
- Where substantially similar questions are received, the Paragon Manager will consolidate such questions and consequently not all questions may be individually addressed.
- (5) Unitholders (including CPFIS Investors and SRS Investors) or, where applicable, their appointed proxy, may also ask the Chairman of the EGM substantial and relevant questions related to the Paragon Trust Deed Amendments Resolution to be tabled for approval at the EGM, at the EGM.
- (6) The Paragon Manager will publish the minutes of the EGM on the corporate website of PARAGON REIT and on SGXNet within one (1) month from the date of the EGM, and the minutes will include the responses to the substantial and relevant questions received from Unitholders which are addressed during the EGM.

Voting, or appointing a proxy to vote, at the EGM

- (7) A Unitholder which is not a relevant intermediary entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her/its stead. Where a Unitholder appoints more than one (1) proxy, the appointments shall be invalid unless he/she/it specifies the proportion of his/her/its holding (expressed as a percentage of the whole) to be represented by each proxy.
- (8) A Unitholder which is a relevant intermediary entitled to attend and vote at the EGM is entitled to appoint more than one (1) proxy to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one (1) proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the proxy form.

A "relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore, and who holds Units in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
- (9) The completed and signed Proxy Form A (EGM) for the EGM and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be submitted to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. in the following manner:
- (a) if submitted electronically, via e-mail to srs.proxy@boardroomlimited.com; or
 - (b) if submitted by post, be deposited with the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

in either case, by 2.30 p.m. on 19 April 2025, being not less than 72 hours before the time fixed for the EGM.

A Unitholder who wishes to submit a Proxy Form A (EGM) must complete and sign the Proxy Form A (EGM), before scanning and sending it by e-mail to the e-mail address provided above or before submitting it by post to the address provided above.

APPENDIX P – NOTICE OF EXTRAORDINARY GENERAL MEETING

- (10) A proxy need not be a Unitholder and may be the Chairman of the EGM. CPFIS Investors and SRS Investors who wish to vote at the EGM should approach their respective CPF Agent Banks or SRS Agent Banks to submit their votes by 5.00 p.m. on 10 April 2025, being seven (7) Business Days before the date of the EGM.
- (11) Printed copies of the Proxy Form A (EGM) will be sent to Unitholders. The Proxy Form A (EGM) may also be accessed on SGXNet at <https://www.sgx.com/securities/company-announcements> and the website of PARAGON REIT at <https://www.paragonreit.com.sg/proposed-privatisation/>.
- (12) Please see the notes to the Proxy Form A (EGM) for more information.

Personal Data Privacy:

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

APPENDIX Q – NOTICE OF SCHEME MEETING

IN THE GENERAL DIVISION OF THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OA 228/2025

In the Matter of Order 32 of the Rules of Court 2021 (S 914/2021)

And

In the Matter of PARAGON REIT (a real estate investment trust constituted on 9 July 2013 under the laws of the Republic of Singapore)

1. **PARAGON REIT MANAGEMENT PTE. LTD. (in its capacity as manager of PARAGON REIT)** (Company Registration No. 201305497E)
2. **DBS TRUSTEE LIMITED (in its capacity as trustee of PARAGON REIT)** (Company Registration No. 197502043G)

... Applicants

TRUST SCHEME OF ARRANGEMENT

Between

PARAGON REIT Management Pte. Ltd.

(in its capacity as manager of PARAGON REIT)
(Company Registration No. 201305497E)

DBS Trustee Limited

(in its capacity as trustee of PARAGON REIT)
(Company Registration No. 197502043G)

And

Unitholders

(as defined herein)

And

Times Properties Private Limited

(Company Registration No. 195900026E)

NOTICE OF SCHEME MEETING

NOTICE IS HEREBY GIVEN that by an Order of Court made in the above matter, the High Court of the Republic of Singapore (the “**Court**”) has directed a meeting (the “**Scheme Meeting**”) of the Minority Unitholders to be convened and such Scheme Meeting shall be convened and held at Simpor Junior Ballroom, Level 4, Sands Expo & Convention Centre, 10 Bayfront Avenue, Singapore 018956 on **22 April 2025** at **3.00 p.m.** (or as soon thereafter following the conclusion of the extraordinary general meeting of the Unitholders to be held at 2.30 p.m. on the same day and at the same venue (the “**EGM**”)), for the purpose of considering and, if thought fit, approving the following resolution:

APPENDIX Q – NOTICE OF SCHEME MEETING

THE PARAGON SCHEME RESOLUTION

“RESOLVED THAT:

- (a) subject to and contingent upon the passing of the Paragon Trust Deed Amendments Resolution at the EGM, the trust scheme of arrangement dated 27 March 2025 proposed to be made in accordance with the Paragon Trust Deed (as amended pursuant to the Paragon Trust Deed Amendments Resolution at the EGM) and in compliance with the Code, among (i) the Paragon Manager, (ii) the Paragon Trustee, (iii) the Unitholders and (iv) Times Properties Private Limited, a copy of which has been circulated with the Notice convening this Scheme Meeting, be and is hereby approved; and
- (b) each of the Paragon Manager and the Paragon Trustee be and is hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Paragon Manager and the Paragon Trustee may consider expedient or necessary or in the interests of PARAGON REIT to give effect to the Scheme.”

*All references to the Scheme Document in this Notice of Scheme Meeting shall mean the scheme document dated 27 March 2025 issued by the Paragon Manager on behalf of PARAGON REIT to the Unitholders (the “**Scheme Document**”). All capitalised terms used but not otherwise defined herein shall have the same meanings given to them in the Scheme Document.*

By the said Order of Court, the Court has appointed Dr. Leong Horn Kee, the Chairman of the board of directors of the Paragon Manager, and Non-Executive and Non-Independent Director of the Paragon Manager, or failing him, any other director of Paragon Manager, to act as Chairman of the Scheme Meeting and has directed the Chairman to report the results thereof to the Court.

The said scheme of arrangement will be subject to, inter alia, the subsequent sanction of the Court.

IMPORTANT NOTICE FROM THE PARAGON MANAGER:

The Scheme Meeting will be convened and held in a wholly physical format at Simpor Junior Ballroom, Level 4, Sands Expo & Convention Centre, 10 Bayfront Avenue, Singapore 018956 on 22 April 2025 at 3.00 p.m. (or as soon thereafter following the conclusion of the EGM). There will be no option for Unitholders to participate virtually.

Electronic copies of the Scheme Document (together with the Notice of EGM, this Notice of Scheme Meeting, the Proxy Form A (EGM), the Proxy Form B (Scheme Meeting) and the Request Form) have been made available via publication on SGXNet at <https://www.sgx.com/securities/company-announcements> and the website of PARAGON REIT at <https://www.paragonreit.com.sg/proposed-privatisation/>. A Unitholder will need an internet browser and PDF reader to view these documents on SGXNet and the corporate website of PARAGON REIT. A printed copy of the Scheme Document will **NOT** be despatched to Unitholders (unless upon request). Instead, only printed copies of the Notice of EGM, this Notice of Scheme Meeting, the Proxy Form A (EGM), the Proxy Form B (Scheme Meeting) and the Request Form will be despatched to Unitholders.

Unitholders (including Overseas Unitholders) may obtain printed copies of the Scheme Document by submitting the Request Form to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., either: (a) via e-mail to srs.requestform@boardroomlimited.com; or (b) by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632, in either case by no later than 5.00 p.m. on 14 April 2025. Printed copies of the Scheme Document will be sent to the address in Singapore specified by the Unitholder by ordinary post at its own risk, up to five (5) Market Days prior to the date of the EGM and the Scheme Meeting.

APPENDIX Q – NOTICE OF SCHEME MEETING

Notes:

- (1) A copy of the said Scheme is incorporated in the Scheme Document of which this Notice forms part.

Arrangements for Conduct of the Scheme Meeting

- (2) Arrangements relating to the conduct of the Scheme Meeting, including:
- (a) attending the Scheme Meeting in person;
 - (b) submitting questions related to the Paragon Scheme Resolution to be tabled for approval at the Scheme Meeting, in advance of the Scheme Meeting or at the Scheme Meeting itself; and/or
 - (c) voting at the Scheme Meeting by the Unitholder (i) in person or (ii) by his/her/its duly appointed proxy,
- are set out in this Notice of Scheme Meeting. Any reference to a time of day is made by reference to Singapore time.

Unitholders, including CPFIS Investors and SRS Investors, or, where applicable, their appointed proxy who will be attending the Scheme Meeting in person should bring along their NRIC/passport so as to enable the verification of their identity on the day of the Scheme Meeting.

Questions & Answers, Minutes of Scheme Meeting

- (3) Unitholders, including CPFIS Investors and SRS Investors, may submit questions related to the Paragon Scheme Resolution to be tabled for approval at the Scheme Meeting, in advance of the Scheme Meeting. To do so, all questions must be submitted in the following manner by 2.30 p.m. on 15 April 2025:
- (a) if submitted electronically, via e-mail to ir@paragonreit.com.sg; or
 - (b) if submitted by post, be deposited at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632.
- (4) Unitholders, including CPFIS Investors and SRS Investors, who submit questions via e-mail to the Paragon Manager or by post to the Unit Registrar must provide the following information:
- (a) the Unitholder's full name;
 - (b) the Unitholder's full address; and
 - (c) the manner in which the Unitholder holds Units in PARAGON REIT (e.g. via CPFIS or SRS).
- (5) The Paragon Manager will endeavour to address all substantial and relevant questions received by it in the manner set out above by 2.30 p.m. on 17 April 2025 and the responses will be posted on SGXNet and the corporate website of PARAGON REIT.
- Where substantially similar questions are received, the Paragon Manager will consolidate such questions and consequently not all questions may be individually addressed.
- (6) Unitholders (including CPFIS Investors and SRS Investors) or, where applicable, their appointed proxy, may also ask the Chairman of the Scheme Meeting substantial and relevant questions related to the Paragon Scheme Resolution to be tabled for approval at the Scheme Meeting, at the Scheme Meeting.
- (7) The Paragon Manager will publish the minutes of the Scheme Meeting on the corporate website of PARAGON REIT and on SGXNet within one (1) month from the date of the Scheme Meeting, and the minutes will include the responses to the substantial and relevant questions received from Unitholders which are addressed during the Scheme Meeting.

Voting, or appointing a proxy to vote, at the Scheme Meeting

- (8) A Unitholder who wishes to exercise his/her/its voting rights at the Scheme Meeting may:
- (a) vote at the Scheme Meeting in person; or
 - (b) appoint a proxy to vote on his/her/its behalf at the Scheme Meeting.
- (9) A Unitholder which is not a relevant intermediary who is entitled to attend and vote at the Scheme Meeting may appoint only one (1) proxy to attend and vote in his/her/its stead and may only cast all the voting rights attached to his/her/its Units at the Scheme Meeting (whether in person or by proxy) in one (1) way. Where a Unitholder which is not a relevant intermediary appoints more than one (1) proxy, such additional appointments shall be invalid.

APPENDIX Q – NOTICE OF SCHEME MEETING

- (10) A proxy need not be a Unitholder and may be the Chairman of the Scheme Meeting.
- (11) A Unitholder who wishes to submit an instrument appointing a proxy must complete the Proxy Form B (Scheme Meeting), before submitting it in the manner set out below and the instructions set out in the Proxy Form B (Scheme Meeting).
- (12) Printed copies of the Proxy Form B (Scheme Meeting) will be sent to Unitholders. The Proxy Form B (Scheme Meeting) may also be accessed on SGXNet at <https://www.sgx.com/securities/company-announcements> and the website of PARAGON REIT at <https://www.paragonreit.com.sg/proposed-privatisation/>.
- (13) In the case of joint Unitholders, any one (1) of such persons may vote, but if more than one (1) of such persons be present at the Scheme Meeting, the person whose name stands first in the Register of Unitholders of PARAGON REIT or, as the case may be, the Depository Register shall alone be entitled to vote.
- (14) The completed and signed Proxy Form B (Scheme Meeting) for the Scheme Meeting and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be submitted to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. in the following manner:
- (a) if submitted electronically, via e-mail to srs.proxy@boardroomlimited.com; or
- (b) if submitted by post, be deposited with the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,
- in each case, by 3.00 p.m. on 19 April 2025, being not less than 72 hours before the time fixed for the Scheme Meeting.
- A Unitholder who wishes to submit a Proxy Form B (Scheme Meeting) must complete and sign the Proxy Form B (Scheme Meeting), before scanning and sending it by e-mail to the e-mail address provided above or before submitting it by post to the address provided above.
- (15) If any Unitholder fails to submit a Proxy Form B (Scheme Meeting) (if applicable) in the manner and within the period stated therein or if the Proxy Form B (Scheme Meeting) (if applicable) is incomplete, improperly completed, illegible or where the true intentions of the Unitholder are not ascertainable from the instructions of the Unitholder specified in the Proxy Form B (Scheme Meeting) (if applicable), the Unitholder and the proxy of such Unitholder (if applicable) may only be admitted to the Scheme Meeting at the discretion of the Chairman of the Scheme Meeting. Any such Unitholder shall, nonetheless, be bound by the terms of the Scheme in the event that it becomes effective.
- (16) **Relevant intermediaries:**
- (a) Persons who hold Units through relevant intermediaries, other than CPFIS Investors and SRS Investors, and who wish to participate in the Scheme Meeting should contact the relevant intermediary through which they hold such Units as soon as possible. Persons who hold Units through relevant intermediaries, other than CPFIS Investors and SRS Investors, may (i) vote at the Scheme Meeting if they are appointed as proxy by their respective relevant intermediaries; or (ii) specify their voting instructions to and/or arrange for their votes to be submitted with their respective relevant intermediaries, and should contact their respective relevant intermediaries as soon as possible in order for the necessary arrangements to be made.
- (b) In addition, CPFIS Investors and SRS Investors may (i) vote at the Scheme Meeting if they are appointed as proxy by their respective CPF Agent Banks and SRS Agent Banks, and should contact their respective CPF Agent Banks and SRS Agent Banks if they have any queries regarding their appointment as proxy; or (ii) specify their voting instructions to and/or arrange for their votes to be submitted with their respective CPF Agent Banks and SRS Agent Banks, and should approach their respective CPF Agent Banks and SRS Agent Banks by 5.00 p.m. on 10 April 2025, being at least seven (7) Business Days before the date of the Scheme Meeting.
- (17) In relation to any Unitholder which is a relevant intermediary:
- (a) subject to paragraph 17(b) below, a Unitholder which is a relevant intermediary need not cast all the voting rights attached to the Units held on behalf of its sub-account holders in the same way, provided that (i) each vote is exercised in relation to a different Unit, and (ii) the voting rights attached to all or any of the Units in each sub-account may only be cast at the Scheme Meeting in one (1) way but, for the avoidance of doubt, the voting rights of such Units need not be cast in the same way as the Units in another sub-account; and

APPENDIX Q – NOTICE OF SCHEME MEETING

- (b) a Unitholder which is a relevant intermediary may appoint more than two (2) proxies in relation to the Scheme Meeting to exercise all or any of such Unitholder's rights to attend and to speak and vote at the Scheme Meeting, but each proxy must be appointed to exercise the voting rights attached to a different Unit or Units held by the Unitholder on behalf of its sub-account holders (which number and class of Units must be specified), provided that no more than one (1) proxy may be given in respect of each sub-account which holds Units. Where a proxy is appointed in accordance with this paragraph 17(b) in respect of Units held on behalf of only one (1) sub-account holder, such proxy may only cast the voting rights attached to all or any of the Units in such sub-account at the Scheme Meeting in one (1) way.

A "relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore, and who holds Units in that capacity; or
- (c) the Central Provident Fund Board ("CPF Board") established by the Central Provident Fund Act 1953 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

(18) For the purposes of determining whether the Headcount Condition and the Value Condition are satisfied:

- (a) each proxy appointed in accordance with paragraph 9 above and which casts a vote in respect of its Units for or against the Scheme shall be treated as:
- (i) casting one (1) vote in number for the purposes of the Headcount Condition; and
- (ii) the value represented by the proxy for the purposes of the Value Condition shall be the number of Units in relation to which voting rights are being exercised by the proxy.

For the avoidance of doubt, where a person has been appointed as the proxy of more than one (1) Unitholder to vote at the Scheme Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing Unitholder for the purposes of the Headcount Condition and the Value Condition; provided that the proxy is exercising the voting rights attached to a different Unit or Units (which number and class of Units must be specified);

- (b) each proxy appointed in accordance with paragraph 17(b) above or each sub-account holder on whose behalf the Unitholder which is a relevant intermediary holds Units, and which casts a vote in respect of its Units for or against the Scheme shall be treated as:
- (i) casting one (1) vote in number for the purposes of the Headcount Condition; and
- (ii) the value represented by the proxy or sub-account holder for the purposes of the Value Condition shall be the number of Units in relation to which voting rights are being exercised by the proxy or the sub-account holder.

Where a person has been appointed as proxy in accordance with paragraph 17(b) above of more than one (1) sub-account holder to vote at the Scheme Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing sub-account holder for the purposes of the Headcount Condition and the Value Condition; provided that such proxy is exercising the voting rights attached to a different Unit or Units (which number and class of Units must be specified). The Unitholder which is a relevant intermediary shall submit to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by no later than 3.00 p.m. on 19 April 2025, either:

- (A) by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or
- (B) via e-mail to srs.proxy@boardroomlimited.com,

the list of these sub-account holder(s) (which sets out the name of each sub-account holder, the number of Units attributed to each sub-account holder, and whether the sub-account holder has voted in favour of or against the Scheme in respect of such Units). Each sub-account holder may only vote one (1) way in respect of all or any part of the Units in such sub-account; and

APPENDIX Q – NOTICE OF SCHEME MEETING

- (c) where a Unitholder which is a relevant intermediary casts the voting rights attached to the Units held on behalf of its sub-account holder(s) both for and against the Scheme without submitting to the Unit Registrar the information required under paragraph 18(b) then, without prejudice to the treatment of any proxies appointed in accordance with paragraph 17(b) above:
- (i) such relevant intermediary shall be treated as casting one (1) vote in favour of the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes for the Scheme than against the Scheme;
 - (ii) such relevant intermediary shall be treated as casting one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes against the Scheme than for the Scheme;
 - (iii) such relevant intermediary shall be treated as casting one (1) vote for and one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts equal votes for and against the Scheme; and
 - (iv) with respect to each of the scenarios set out in paragraph 18(c)(i), paragraph 18(c)(ii) and paragraph 18(c)(iii) above, the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Units in relation to which voting rights “for” and “against” the Scheme are being exercised by the relevant intermediary.

(19) Please see the Scheme Document and the notes to the Proxy Form B (Scheme Meeting) for more information.

Personal Data Privacy:

By (a) attending the Scheme Meeting, (b) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Scheme Meeting and/or any adjournment thereof and/or (c) submitting the Request Form to request for a printed copy of the Scheme Document, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder’s personal data by the Paragon Manager and the Paragon Trustee (or their agents or service providers) for the purpose of the processing, administration and analysis by the Paragon Manager and the Paragon Trustee (or their agents or service providers) of proxies and representatives appointed for the Scheme Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Scheme Meeting (including any adjournment thereof), and in order for the Paragon Manager and the Paragon Trustee (or their agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder’s proxy(ies) and/or representative(s) to the Paragon Manager and the Paragon Trustee (or their agents or service providers), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Paragon Manager and the Paragon Trustee (or their agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes and (iii) agrees that the Unitholder will indemnify the Paragon Manager and the Paragon Trustee (or their agents or service providers) in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder’s breach of warranty.

Dated this 27th day of March 2025

By Order of the Court

PARAGON REIT Management Pte. Ltd.

(in its capacity as manager of PARAGON REIT)
(Company Registration No. 201305497E)
290 Orchard Road, #14-05/06, The Paragon,
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DBS Trustee Limited

(in its capacity as trustee of PARAGON REIT)
(Company Registration No. 197502043G)
12 Marina Boulevard, Marina Bay Financial Centre Tower 3,
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