



## CIRCULAR DATED 27 MAY 2013

THIS CIRCULAR IS IMPORTANT AND  
REQUIRES YOUR  
IMMEDIATE ATTENTION.



### SINGAPORE PRESS HOLDINGS LIMITED

Company Registration No. 198402868E  
(Incorporated in the Republic of Singapore)

Singapore Exchange Securities Trading Limited (the "SGX-ST") assumes no responsibility for the accuracy or correctness of any of the statements made, reports contained or opinions expressed in this circular dated 27 May 2013 ("Circular"). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Singapore Press Holdings Limited ("SPHL" or the "Company"), you should immediately forward this Circular together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

#### CIRCULAR TO SHAREHOLDERS in relation to

- 1 THE PROPOSED ESTABLISHMENT OF SPH REIT AND THE INJECTION OF THE PARAGON PROPERTY AND CLEMENTI MALL INTO SPH REIT; AND
- 2 THE PROPOSED SPECIAL DIVIDEND

#### IMPORTANT DATES AND TIMES

EVENTS	DATE & TIME
Last date and time for lodgement of Proxy Forms	Sunday, 16 June 2013 at 9.30 am
Date and time of Extraordinary General Meeting	Tuesday, 18 June 2013 at 9.30 am
Place of Extraordinary General Meeting	The Auditorium, 1000 Toa Payoh North, News Centre, 1st Storey, Annexe Block, Singapore 318994







# TRANSACTION RATIONALE AND

01

## UNLOCK VALUE IN THE PROPERTIES

- Net cash proceeds of approximately S\$1,048 million<sup>1</sup>
- Allows the SPH Group to pursue its growth strategies across its:
  - Property business
  - Media business
  - Other businesses
- Pay the Special Dividend of S\$0.18 per share to shareholders



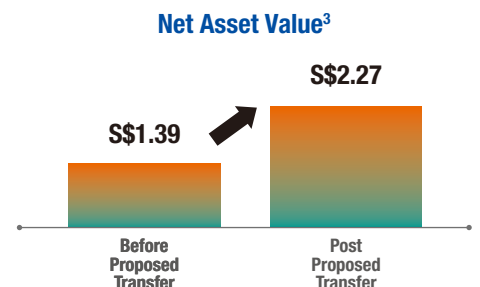
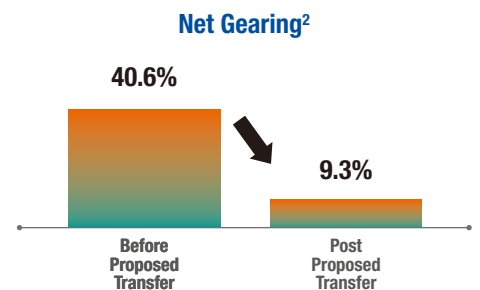
<sup>1</sup> Assuming (i) a size of approximately S\$540.0 million for the initial public offering of units in SPH REIT ("Offering") (assuming that an over-allotment option to be granted by TPR Holdings Pte. Ltd. (a company incorporated in Singapore which is an indirect wholly-owned subsidiary of SPHL) to the joint bookrunners of the Offering is fully exercised) based on an assumed market capitalization of SPH REIT of approximately S\$2,200.0 million immediately post-Offering, (ii) a debt facility of S\$900.0 million to be put in place by SPH REIT immediately post-Offering and (iii) Offering expenses and debt upfront fees of approximately S\$30.0 million. The figure shown does not take into account the payment of the Special Dividend.



02

## STRENGTHEN SPH GROUP'S BALANCE SHEET

- SPH Group's balance sheet would be significantly strengthened
- Provides debt capacity for future growth
- Net gearing is estimated to decrease from 40.6% to 9.3%<sup>2</sup>
- Net asset value per share will increase from S\$1.39 to S\$2.27<sup>3</sup>



<sup>2</sup> Net gearing is calculated as net borrowings divided by shareholders' equity assuming the Proposed Transfers had been completed on 31 August 2012 and before payment of the Special Dividend. The calculation assumes (i) an Offering size of approximately S\$540.0 million (assuming the Over-Allotment Option is fully exercised) and (ii) measurement of the Properties on a fair value basis as set out in paragraph 5.1(f) of the Letter to Shareholders.

<sup>3</sup> Based on the assumptions set out in paragraph 5 of the Letter to Shareholders, assuming the Proposed Transfers had been completed on 31 August 2012.

# BENEFITS TO SHAREHOLDERS

## 03

### CREATE AN EFFICIENT PLATFORM FOR THE HOLDING OF INVESTMENT PROPERTIES

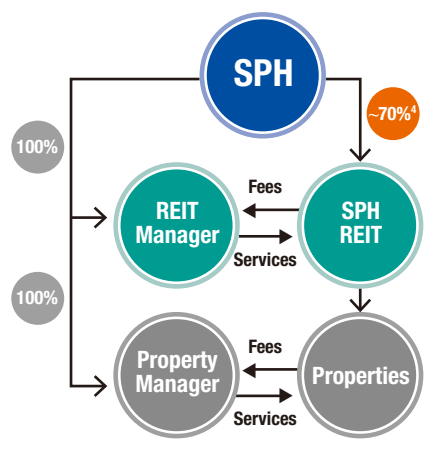
- SPHL believes that SPH REIT would serve as an efficient platform for holding investment properties
- Potential to realise long-term capital appreciation value created in such investment properties
- SPH REIT will be able to finance itself independently



## 04

### CONTINUED MAJORITY OWNERSHIP OF THE PROPERTIES AND FEE INCOME

- SPH Group is expected to hold approximately 70%<sup>4</sup> of SPH REIT on IPO
- Recurring distributable income from SPH Group's unitholdings in SPH REIT
- SPHL will be the Sponsor of SPH REIT and will own the REIT Manager and property manager of SPH REIT
- The REIT Manager will earn a recurrent management fee and will add a valuable fee-based funds management business to SPHL's portfolio



<sup>4</sup> Assuming that the Over-Allotment Option is fully exercised.

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## GLOSSARY

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In this Circular, the following definitions apply throughout unless otherwise stated:

<b>“Authority” or “MAS”</b>	:	The Monetary Authority of Singapore
<b>“Board”</b>	:	The board of Directors
<b>“Call Option Agreements”</b>	:	The Paragon Call Option Agreement and the Clementi Mall Call Option Agreement
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	This circular dated 27 May 2013
<b>“Clementi Mall”</b>	:	A 99-year leasehold interest in The Clementi Mall located at 3155 Commonwealth Avenue West, Singapore 129588, commencing on 31 August 2010
<b>“Clementi Mall Call Option Agreement”</b>	:	The call option agreement to be entered into between CM Domain and the REIT Trustee as soon as practicable following the Shareholders’ approval of Resolution 1 (the proposed establishment of SPH REIT and the injection of the Paragon Property and Clementi Mall into SPH REIT), pursuant to which the REIT Trustee will be granted the right to require CM Domain to enter into the Clementi Mall Sale Agreement
<b>“Clementi Mall Sale Agreement”</b>	:	The sale and purchase agreement to be entered into between CM Domain (as vendor), the REIT Trustee (as purchaser) and Times Properties Private Limited (as guarantor for the vendor’s obligations) for the sale of Clementi Mall together with the plant and equipment to the REIT Trustee at the Clementi Mall Sale Consideration
<b>“Clementi Mall Sale Consideration”</b>	:	The consideration of S\$570.5 million for the sale of Clementi Mall to the REIT Trustee
<b>“CM Domain”</b>	:	CM Domain Pte. Ltd.
<b>“Companies Act”</b>	:	The Companies Act, Chapter 50 of Singapore
<b>“Deed of Income Support”</b>	:	The deed of income support to be entered into between CM Domain and the REIT Trustee, pursuant to which CM Domain will provide the Income Support
<b>“Directors”</b>	:	The directors of the Company for the time being

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## GLOSSARY

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<b>“EGM”</b>	:	The extraordinary general meeting of the Company, notice of which is given on pages B-1 and B-2 of this Circular
<b>“FY2012”</b>	:	Financial year ended 31 August 2012
<b>“GST”</b>	:	Goods and services tax
<b>“Income Support”</b>	:	The income support arrangement which is proposed to be put in place in relation to Clementi Mall for the period from the Listing Date to the day immediately preceding the fifth anniversary date of the Listing Date or the date when the aggregate amount paid out by CM Domain under the Deed of Income Support reaches S\$20.0 million (whichever is earlier), as further described in paragraph 4.1.7 of the Letter to Shareholders
<b>“Independent Valuer for the Properties”</b>	:	Knight Frank Pte Ltd
<b>“Latest Practicable Date”</b>	:	The latest practicable date prior to the printing of this Circular, being 22 May 2013
<b>“Listing Date”</b>	:	The date of listing of SPH REIT on the Main Board of the SGX-ST
<b>“Listing Manual”</b>	:	The Listing Manual of the SGX-ST, as may be amended or modified from time to time
<b>“Management Shares”</b>	:	Management shares in the share capital of the Company
<b>“NAV”</b>	:	Net asset value
<b>“NLA”</b>	:	Net lettable area
<b>“NTA”</b>	:	Net tangible assets
<b>“O290”</b>	:	Orchard 290 Ltd
<b>“Offering”</b>	:	The initial public offering of the Units
<b>“Offering Price”</b>	:	The subscription price of each Unit under the Offering
<b>“Ordinary Resolution”</b>	:	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 Shareholders convened in accordance with the Company’s memorandum and articles of association

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## GLOSSARY

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<b>“Ordinary Shares”</b>	:	Ordinary shares in the share capital of the Company
<b>“Over-Allotment Option”</b>	:	An over-allotment option to be granted by TPR Holdings Pte. Ltd. (a company incorporated in Singapore which is an indirect wholly-owned subsidiary of the Company) to the joint bookrunners of the Offering
<b>“Paragon”</b>	:	Paragon, located at 290 Orchard Road, Singapore 238859
<b>“Paragon Call Option Agreement”</b>	:	The call option agreement to be entered into between O290 and the REIT Trustee as soon as practicable following the Shareholders’ approval of Resolution 1 (the proposed establishment of SPH REIT and the injection of the Paragon Property and Clementi Mall into SPH REIT), pursuant to which the REIT Trustee will be granted the right to require O290 to enter into the Paragon Sale Agreement
<b>“Paragon Freehold Interest”</b>	:	The Paragon Property together with the Paragon Reversionary Interest
<b>“Paragon Property”</b>	:	A 99-year leasehold interest in Paragon commencing on the Listing Date
<b>“Paragon Reversionary Interest”</b>	:	The reversionary interest in Paragon which O290 will hold immediately after the injection of the Paragon Property into SPH REIT
<b>“Paragon Sale Agreement”</b>	:	The sale and purchase agreement to be entered into between O290 (as vendor), the REIT Trustee (as purchaser) and Times Properties Private Limited (as guarantor for the vendor’s obligations) for the sale to the REIT Trustee of (i) the Paragon Property together with the plant and equipment (including the licensing of the right to use the trade mark ‘Paragon’) at the Paragon Sale Consideration, and (ii) certain sculptures installed at Paragon and a new sculpture to be installed at Paragon, at the Sculpture Sale Consideration
<b>“Paragon Sale Consideration”</b>	:	The consideration of S\$2,500.0 million for the sale of the Paragon Property together with the plant and equipment (including the licensing of the right to use the trade mark ‘Paragon’) to the REIT Trustee
<b>“Properties”</b>	:	The Paragon Property and Clementi Mall, and <b>“Property”</b> means either of them



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## GLOSSARY

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<b>“Proposed Disposal”</b>	:	In relation to the SPHL ROFR, means a proposed disposal of any interest by a Relevant Entity in any Relevant Asset which is owned by the Relevant Entity
<b>“Proposed Transfers”</b>	:	The proposed injection of the Properties into SPH REIT
<b>“REIT Manager”</b>	:	SPH REIT Management Pte. Ltd., in its capacity as manager of SPH REIT
<b>“REIT Trustee”</b>	:	DBS Trustee Limited, in its capacity as trustee of SPH REIT
<b>“Relevant Asset”</b>	:	In relation to the SPHL ROFR, means a completed income-producing real estate located in Asia-Pacific which is used primarily <sup>1</sup> for retail purposes. Where such real estate is held by a Relevant Entity through an SPV established solely to own such real estate, the term, <b>“Relevant Asset”</b> , shall refer to the shares or, as the case may be, equity interests in that SPV. Where such real estate is co-owned by a Relevant Entity as a tenant-in-common, the term, <b>“Relevant Asset”</b> , shall refer to the ownership share of the Relevant Entity in such real estate
<b>“Relevant Entity”</b>	:	In relation to the SPHL ROFR, means SPHL, any of its existing or future subsidiaries or any SPH Private Funds
<b>“Sale and Purchase Agreements”</b>	:	The Clementi Mall Sale Agreement and the Paragon Sale Agreement
<b>“Sculpture Sale Consideration”</b>	:	The sale consideration for certain existing sculptures installed at Paragon and a new sculpture to be installed at Paragon, comprising the aggregate of (a) S\$1.02 million and (b) an amount equivalent to all payments made by O290 prior to the completion of the injection of the Paragon Property into SPH REIT pursuant to the agreements entered into by O290 for the purchase of the new sculpture (other than the purchase price and GST for the new sculpture)
<b>“Securities Account”</b>	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited

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1 For the avoidance of doubt, the term **“primarily”** shall mean more than 50.0% of NLA or (in the case of a property where the concept of NLA is not applicable) gross floor area.

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## GLOSSARY

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<b>“Shareholders”</b>	:	Registered holders of either Ordinary Shares or Management Shares, except that where the registered holder is CDP, the term, <b>“Shareholders”</b> , shall, where the context admits, mean the Depositors whose Securities Accounts are credited with Ordinary Shares or Management Shares
<b>“Shares”</b>	:	Ordinary Shares and/or Management Shares
<b>“Special Dividend”</b>	:	The proposed special one-tier tax-exempt dividend of S\$0.18 per Share which the Shareholders will receive in cash, on such date as the Directors shall determine in their discretion after the completion of the Proposed Transfers
<b>“SPHL” or the “Company”</b>	:	Singapore Press Holdings Limited
<b>“SPH Group” or “Group”</b>	:	The Company and its subsidiaries
<b>“SPHL ROFR”</b>	:	The right of first refusal to be granted by SPHL to SPH REIT with effect from the Listing Date, as further described in paragraph 4.1.8 of the Letter to Shareholders
<b>“SPH Private Funds”</b>	:	Future private funds to be managed by SPHL
<b>“SPH REIT”</b>	:	SPH REIT, a proposed real estate investment trust to be established in Singapore
<b>“SPV”</b>	:	Special purpose vehicle, company or entity
<b>“sq ft”</b>	:	Square feet
<b>“Summary Valuation Certificates”</b>	:	The summary valuation certificates prepared by Knight Frank Pte Ltd, in its capacity as the Independent Valuer for the Paragon Property, the Paragon Freehold Interest and Clementi Mall, as set out in <b>Appendix A</b> of this Circular
<b>“Threshold Amount”</b>	:	Means, in relation to the Income Support, an amount of S\$31.0 million per annum (pro-rated where the relevant financial period is less than a full financial year)
<b>“Trust Deed”</b>	:	The trust deed constituting SPH REIT to be entered into between the REIT Manager and the REIT Trustee
<b>“Unit”</b>	:	An undivided interest in SPH REIT as provided for in the Trust Deed

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## GLOSSARY

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“%” or “per cent.”	:	Per centum or percentage
“S\$”, “\$” and “cents”	:	The lawful currency for the time being of the Republic of Singapore

The terms “**Depositor**” and “**Depository Agent**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”).

The terms “**subsidiary**” and “**substantial shareholder**” shall have the meanings ascribed to them in Sections 5 and 81 of the Companies Act respectively.

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

Any reference in this Circular 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 or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.



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## CORPORATE INFORMATION

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<b>BOARD OF DIRECTORS</b>	:	Lee Boon Yang (Chairman and Independent Director)
		Cham Tao Soon (Deputy Chairman and Independent Director)
		Chan Heng Loon Alan (Chief Executive Officer)
		Bahren Shaari (Independent Director)
		Willie Cheng Jue Hiang (Independent Director)
		Chong Siak Ching (Independent Director)
		Ng Ser Miang (Independent Director)
		Sum Soon Lim (Independent Director)
		Tan Yen Yen (Independent Director)
		Lucien Wong Yuen Kuai (Independent Director)
<b>COMPANY SECRETARIES</b>	:	Ginney Lim May Ling Khor Siew Kim
<b>REGISTERED OFFICE</b>	:	1000 Toa Payoh North News Centre Singapore 318994
<b>SHARE REGISTRAR</b>	:	Tricor Barbinder Share Registration Services 80 Robinson Road #02-00 Singapore 068898
<b>LEGAL ADVISER TO THE COMPANY</b>	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
<b>INDEPENDENT AUDITOR</b>	:	KPMG LLP
<b>INDEPENDENT VALUER FOR THE PROPERTIES</b>	:	Knight Frank Pte Ltd

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## INDICATIVE TIMETABLE

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The timetable for the events which are scheduled to take place after the extraordinary general meeting of Singapore Press Holdings Limited (“**SPHL**” or the “**Company**”), notice of which is given on pages B-1 and B-2 of this Circular (the “**EGM**”), is indicative only and is subject to change at the Company’s absolute discretion as well as applicable regulatory requirements. Any changes (including any determination of the relevant dates) to the timetable below will be announced.

Event	Date and Time
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Last date and time for lodgement of Proxy Forms	: Sunday, 16 June 2013 at 9.30 a.m.
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Date and time of the EGM	: Tuesday, 18 June 2013 at 9.30 a.m.
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### Proposed Transfers

Target date for completion of the Proposed Transfers (as defined herein)	: Date of listing of SPH REIT (a proposed real estate investment trust to be established in Singapore) (“ <b>SPH REIT</b> ”) on the Main Board of Singapore Exchange Securities Trading Limited (the “ <b>SGX-ST</b> ”), which is expected to take place in the second half of 2013 or such other date as may be agreed between the Company and DBS Trustee Limited (in its capacity as trustee of SPH REIT) (the “ <b>REIT Trustee</b> ”)
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### Special Dividend

Target date for the declaration of the Special Dividend (as defined herein)	: After completion of the Proposed Transfers and on such date as the directors of the Company (“ <b>Directors</b> ”, and each, a “ <b>Director</b> ”) shall determine in their discretion
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## LETTER TO SHAREHOLDERS

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### SINGAPORE PRESS HOLDINGS LIMITED

Company Registration No. 198402868E  
(Incorporated in the Republic of Singapore)

#### Directors

Lee Boon Yang (Chairman and Independent Director)  
Cham Tao Soon (Deputy Chairman and Independent Director)  
Chan Heng Loon Alan (Chief Executive Officer)  
Bahren Shaari (Independent Director)  
Willie Cheng Jue Hiang (Independent Director)  
Chong Siak Ching (Independent Director)  
Ng Ser Miang (Independent Director)  
Sum Soon Lim (Independent Director)  
Tan Yen Yen (Independent Director)  
Lucien Wong Yuen Kuai (Independent Director)

#### Registered Office

1000 Toa Payoh North  
News Centre  
Singapore 318994

27 May 2013

To: The Shareholders of Singapore Press Holdings Limited

Dear Sir/Madam

**(1) THE PROPOSED ESTABLISHMENT OF SPH REIT AND THE INJECTION OF THE PARAGON PROPERTY AND CLEMENTI MALL INTO SPH REIT; AND**

**(2) THE PROPOSED SPECIAL DIVIDEND**

#### **1. BACKGROUND**

##### **1.1 Introduction**

Incorporated in 1984, the Company is Southeast Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms with a corporate mission to "inform, educate and entertain". Listed on the SGX-ST since 1984, the Company is engaged in the following businesses: (i) newspapers, magazines and book publishing; (ii) internet and mobile; (iii) broadcasting; (iv) events and outdoor advertising and (v) properties.

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## LETTER TO SHAREHOLDERS

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### 1.2 Resolution 1: The Proposed Establishment of SPH REIT and the Injection of the Paragon Property and Clementi Mall into SPH REIT

#### 1.2.1 The Proposed Establishment of SPH REIT

The Company proposes to establish SPH REIT, a real estate investment trust to be authorised by the Monetary Authority of Singapore (the “**Authority**” or “**MAS**”) as an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore and to be listed on the Main Board of the SGX-ST. SPH REIT will be established principally to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily<sup>1</sup> for retail purposes in Asia-Pacific, as well as real estate-related assets. The initial portfolio of properties of SPH REIT will comprise:

- (i) a 99-year leasehold interest in Paragon located at 290 Orchard Road, Singapore 238859 (“**Paragon**”), commencing on the date of listing of SPH REIT on the Main Board of the SGX-ST (the “**Listing Date**”, and the 99-year leasehold interest in Paragon commencing on the Listing Date, the “**Paragon Property**”); and
- (ii) a 99-year leasehold interest in The Clementi Mall located at 3155 Commonwealth Avenue West, Singapore 129588, commencing on 31 August 2010 (“**Clementi Mall**”),

(each a “**Property**” and collectively, the “**Properties**”).

#### 1.2.2 The Injection of the Paragon Property and Clementi Mall into SPH REIT

It is proposed that the following agreements be entered into in connection with the establishment of SPH REIT as soon as practicable following the approval by shareholders of the Company (“**Shareholders**”) of Resolution 1:

- (a) a call option agreement between Orchard 290 Ltd (“**O290**”) and the REIT Trustee in respect of the Paragon Property (the “**Paragon Call Option Agreement**”); and
- (b) a call option agreement between CM Domain Pte. Ltd. (“**CM Domain**”) and the REIT Trustee in respect of Clementi Mall (the “**Clementi Mall Call Option Agreement**”, and together with the Paragon Call Option Agreement, the “**Call Option Agreements**”).

Pursuant to the Call Option Agreements, the REIT Trustee will be granted the right to require each of O290 and CM Domain to enter into sale and purchase agreements for the sale of the Properties to the REIT Trustee (the “**Sale and Purchase Agreements**”). On the Listing Date, the call options under the Call Option Agreements will be exercised by the REIT Trustee, the Sale and Purchase Agreements will be entered into and the Properties will be injected into SPH REIT (the “**Proposed Transfers**”). (See paragraph 4.1.5 for further details on the Call Option Agreements and paragraph 4.1.6 for further details on the Sale and Purchase Agreements.)

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<sup>1</sup> For the avoidance of doubt, the term “**primarily**” shall mean more than 50.0% of net lettable area (“**NLA**”) or (in the case of a property where the concept of NLA is not applicable) gross floor area.

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## LETTER TO SHAREHOLDERS

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The Company currently expects to hold, either directly or indirectly, approximately 70% of the units in SPH REIT (“Units”) at the completion of the initial public offering of the Units (the “Offering”)<sup>1</sup>.

The vendor of the Paragon Property is O290, which is a wholly-owned subsidiary of Times Properties Private Limited, which is in turn a wholly-owned subsidiary of SPHL. The vendor of Clementi Mall is CM Domain, which is a wholly-owned subsidiary of SG Domain Pte. Ltd., which is in turn owned by Times Properties Private Limited (a wholly-owned subsidiary of SPHL), NTUC Income Insurance Co-operative Limited and NTUC Fairprice Co-operative Limited in the proportion of 60.0%, 20.0% and 20.0% respectively.

### 1.2.3 Income Support for Clementi Mall

The Clementi Mall received its second Temporary Occupation Permit on 14 March 2011, and therefore, a significant proportion of its leases are still in the first lease term. As The Clementi Mall is still maturing in terms of shopper recognition, tenant performance and passing rents, it is proposed that CM Domain, being the vendor of Clementi Mall, shall enter into a deed of income support with the REIT Trustee, pursuant to which CM Domain will agree to provide an income support arrangement in relation to Clementi Mall (the “Income Support”) for the period from the Listing Date to the day immediately preceding the fifth anniversary date of the Listing Date or the date when the aggregate amount paid out by CM Domain under the deed of income support reaches S\$20.0 million (whichever is earlier) (the “Deed of Income Support”). The grant of the Income Support is intended to provide a more stabilised level of income for Clementi Mall. (See paragraph 4.1.7 for further details on the Income Support.)

### 1.2.4 SPHL ROFR

In connection with the Offering and the listing of SPH REIT, it is also proposed that the Company shall grant a right of first refusal to SPH REIT over the sale by the Company, any of its subsidiaries, or any future private funds to be managed by the Company, of completed income-producing real estate located in Asia-Pacific which is used primarily<sup>2</sup> for retail purposes, subject to certain terms and conditions (the “SPHL ROFR”). (See paragraph 4.1.8 for further details on the SPHL ROFR.)

## 1.3 Resolution 2: The Proposed Special Dividend

The Company proposes to seek the approval of Shareholders for the declaration of a special one-tier tax-exempt dividend of S\$0.18 per share in the Company (“Share”), which the Shareholders will receive in cash on such date as the Directors shall determine in their discretion after the completion of the Proposed Transfers (the “Special Dividend”).

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1 Assuming that an over-allotment option to be granted by TPR Holdings Pte. Ltd. (a company incorporated in Singapore which is an indirect wholly-owned subsidiary of the Company) to the joint bookrunners of the Offering (the “Over-Allotment Option”) is fully exercised.

2 For the avoidance of doubt, the term “primarily” shall mean more than 50.0% of NLA or (in the case of a property where the concept of NLA is not applicable) gross floor area.



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## LETTER TO SHAREHOLDERS

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**For the avoidance of doubt, the completion of the Proposed Transfers and the payment of the Special Dividend shall be conditional upon the completion of the Offering. In the event that the Offering is not completed, the Proposed Transfers will not take place and the Special Dividend will not be payable to Shareholders.**

**In the meantime, Shareholders are advised to refrain from taking any action in respect of their Shares which may be prejudicial to their interests and to exercise caution when dealing with Shares. In the event that Shareholders wish to deal in the Shares, they should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.**

### 2. APPROVALS SOUGHT

The following sets out the resolutions for which approval is sought by the Company from Shareholders. Approval by way of an Ordinary Resolution is required in respect of each of Resolutions 1 and 2 below:

- (1) Resolution 1 (Ordinary Resolution<sup>1</sup>): The proposed establishment of SPH REIT and the injection of the Paragon Property and Clementi Mall into SPH REIT
- (2) Resolution 2 (Ordinary Resolution<sup>1</sup>): The proposed Special Dividend

By approving Resolution 1 (the proposed establishment of SPH REIT and the injection of the Paragon Property and Clementi Mall into SPH REIT), Shareholders are deemed to have approved the proposed establishment of SPH REIT, the Proposed Transfers and the entry into of all agreements in connection therewith (including but not limited to (a) the Call Option Agreements, (b) the Sale and Purchase Agreements, (c) the Deed of Income Support, (d) the SPHL ROFR and (e) the trust deed constituting SPH REIT to be entered into between SPH REIT Management Pte. Ltd., as manager of SPH REIT (the “**REIT Manager**”) and the REIT Trustee (the “**Trust Deed**”) and all ancillary agreements contemplated thereby or incidental thereto. (See paragraphs 4.1.5, 4.1.6, 4.1.7 and 4.1.8 for further details on the Call Option Agreements, the Sale and Purchase Agreements, the Deed of Income Support and the SPHL ROFR.)

Shareholders should note that Resolution 2 (the proposed Special Dividend) is conditional upon Resolution 1 (the proposed establishment of SPH REIT and the injection of the Paragon Property and Clementi Mall into SPH REIT) being passed. In the event that Shareholders do not approve Resolution 1, the Company will not proceed with Resolution 2.

SPH REIT has, on 27 May 2013, received a letter of eligibility from the SGX-ST for the listing and quotation on the Main Board of the SGX-ST of SPH REIT Units, subject to certain terms and conditions.

In addition, the Company has, on 10 April 2013, obtained approval from the Ministry of Communications and Information under Section 19 of the Newspaper and Printing Presses Act, Chapter 206 of Singapore to receive funds from foreign sources in relation to the establishment of a real estate investment trust and its listing on the SGX-ST.

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<sup>1</sup> “**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 Shareholders convened in accordance with the Company’s memorandum and articles of association.

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The Offering is subject to, among other things, the receipt of the necessary regulatory approvals from the MAS and market conditions.

### 3. RATIONALE

#### 3.1 Rationale for the Proposed Transfers

The SPH Group's<sup>1</sup> investment strategy includes, among others, engaging in long-term investment in, and the development and management of, real estate which is wholly or partially used for retail purposes. SPHL believes that an investment in a retail property portfolio would generate attractive recurrent income streams and potential capital appreciation in the long-term.

SPHL believes that the Proposed Transfers would bring, among others, the following key benefits to Shareholders:

- (i) **Unlock value in the Properties:** the Proposed Transfers would unlock and release capital from the Properties back to the SPH Group. The substantial proceeds from the Proposed Transfers will allow the SPH Group to pursue its growth strategies across its property, media and other businesses, and would also enable SPHL to pay the Special Dividend to its Shareholders.
- (ii) **Strengthen SPH Group's balance sheet:** Based on the pro forma financial effects set out in paragraph 5 below, assuming the Proposed Transfers had been completed on 31 August 2012, the net asset value ("**NAV**") per Share will increase from S\$1.39 to S\$2.27 as at 31 August 2012. The net gearing<sup>2</sup> is estimated to decrease from 40.6% to 9.3%, assuming the Proposed Transfers had been completed on 31 August 2012 and before payment of the Special Dividend. The Proposed Transfers would significantly strengthen SPH Group's balance sheet and provide debt capacity for future growth.
- (iii) **Create an efficient platform for the holding of investment properties:** SPHL believes that SPH REIT would serve as an efficient platform for holding future investment properties which SPHL may divest, subject to mutual agreement and necessary approvals. Such disposals have the potential to realise the long-term capital appreciation value created in such investment properties. In addition, SPH REIT, being a separate listed entity, will be able to finance itself independently.
- (iv) **Continued majority ownership of the Properties:** It is currently expected that the Group will hold approximately 70% of the Units<sup>3</sup> upon listing. Therefore, the establishment of SPH REIT would allow Shareholders to continue to benefit from the Group's majority ownership of the Properties through SPH REIT and the recurring distributable income from the Group's unitholdings in SPH REIT. The proforma distributable income of SPH REIT for the financial year ended 31 August 2012

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1 "SPH Group" or "Group" means the Company and its subsidiaries.

2 Net gearing is calculated as net borrowings divided by shareholders' equity assuming the Proposed Transfers had been completed on 31 August 2012. The calculation assumes (i) an Offering size of approximately S\$540 million (assuming that the Over-Allotment Option is fully exercised) and (ii) measurement of the Properties on a fair value basis as set out in paragraph 5.1(i).

3 Assuming that the Over-Allotment Option is fully exercised.

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("FY2012") is estimated to be S\$115.9 million<sup>1</sup>, assuming the Proposed Transfers had been completed on 1 September 2011. SPHL will also continue to be closely involved in SPH REIT through its ownership of the REIT Manager and the property manager of SPH REIT.

- (v) **Fee income:** The REIT Manager will earn a recurrent management fee for the management of SPH REIT, and being a wholly-owned subsidiary of SPHL, it will add a valuable fee-based funds management business to SPHL's portfolio.

### 3.2 Rationale for the Special Dividend

The Proposed Transfers will unlock capital in the Properties, and while the majority of the proceeds from the Proposed Transfers will be retained by the Company to enable it to pursue its growth strategies, the board of Directors ("**Board**") has determined that part of the proceeds from the Proposed Transfers should be distributed to Shareholders as the Special Dividend. The Board's determination is based on a review of the Group's present financial position and funding requirements and the Group's operations and future expansion plans. The Board is of the view that the proposed Special Dividend will reward existing Shareholders for their investment in the Group and will allow them to benefit directly from the establishment of SPH REIT.

## 4. DETAILS OF THE PROPOSED TRANSFERS

### 4.1 Sale of the Properties

#### 4.1.1 Description of the Properties to be transferred to SPH REIT

##### Paragon

O290 (a wholly-owned subsidiary of Times Properties Private Limited, which is in turn a wholly-owned subsidiary of SPHL) currently owns the entire freehold interest in Paragon, and immediately after the Proposed Transfers, O290 will own the reversionary interest in Paragon (the "**Paragon Reversionary Interest**", and together with the Paragon Property, the "**Paragon Freehold Interest**"). Under the Proposed Transfers, SPH REIT will acquire a registrable 99-year leasehold interest in Paragon commencing on the Listing Date to be issued by O290 to the REIT Trustee. For FY2012, the proforma net property income of Paragon was S\$112.2 million.

Paragon is a premier upscale retail mall and medical suite/office property strategically located in the heart of Orchard Road, Singapore's most famous shopping and tourist precinct. Paragon consists of a six-storey retail podium and one basement level with 483,690 square feet ("**sq ft**") of retail NLA (Paragon Mall) with a 14-storey tower and another three-storey tower sitting on top of the retail podium with a total of 223,000 sq ft of medical suite/office NLA (Paragon Medical). The development is very well-known for its upscale mall housing many luxury brands. Paragon is situated at 290 Orchard Road, Singapore 238859.

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<sup>1</sup> Inclusive of the Income Support.

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### Clementi Mall

CM Domain currently owns a leasehold interest in The Clementi Mall, and the expiry date of the lease is 30 August 2109. Under the Proposed Transfers, CM Domain will sell Clementi Mall to the REIT Trustee. For FY2012, the proforma net property income of Clementi Mall was S\$25.4 million.

The Clementi Mall is a mid-market suburban mall located in the centre of Clementi town, an established residential estate in the West of Singapore. The retail mall, which also houses a public library, is part of an integrated mixed-use development that includes Housing Development Board residential blocks and a bus interchange. The property is connected to the Clementi mass rapid transit station. The Clementi Mall consists of a five-storey retail podium and one basement level with approximately 192,089 sq ft of retail NLA. Due to its location and strong transport connectivity, The Clementi Mall enjoys high levels of visitation with over 27.1 million visitors in 2012. It is located at 3155 Commonwealth Avenue West Singapore 129588.

In connection with the Offering and the listing of SPH REIT, it is proposed that SPH Retail Property Management Services Pte. Ltd. (an indirect wholly-owned subsidiary of the Company) will enter into a property management agreement with the REIT Manager and the REIT Trustee for the operation, maintenance, management and marketing of the Properties, as well as future properties to be acquired by SPH REIT.

#### 4.1.2 Sale Consideration and Valuation of the Properties

Knight Frank Pte Ltd has been appointed by the Company as the independent valuer for the Properties (the “**Independent Valuer for the Properties**”). Established in 1940, Knight Frank Pte Ltd has one of the largest professional valuation teams in Singapore and has substantial experience in the valuation of all types of residential, commercial, industrial, hotel, recreational and other specialist properties.

The following table sets out the appraised values by the Independent Valuer for the Properties as at 28 February 2013:

<b>Property</b>	<b>Appraised value (S\$ million)</b>
The Paragon Property	2,502.0
Clementi Mall <sup>(1)</sup>	570.0
<b>Total</b>	<b>3,072.0</b>

**Note:**

- (1) Takes into account the Income Support to be provided by CM Domain pursuant to the Deed of Income Support.

In aggregate, the Paragon Property and Clementi Mall will be sold to SPH REIT for a fixed consideration of S\$3,070.5 million. The consideration will be partly paid by the issue of Units at the subscription price of each Unit under the Offering (the “**Offering Price**”). The balance of the consideration which is not satisfied by the issue of Units

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will first be paid in cash by the proceeds from the Offering, with the remainder to be funded from a debt facility to be put in place by SPH REIT. Accordingly, the debt facility as at the Listing Date will be dependent on the Offering Price.

The sale of the Paragon Property is set at the consideration of S\$2,500.0 million (the “**Paragon Sale Consideration**”), and was negotiated on a willing-buyer and willing-seller basis after taking into account the open market value of the Paragon Property as at 28 February 2013, which was independently appraised by the Independent Valuer for the Properties. O290’s nominee is expected to receive 1,544.4 million Units at the Offering Price as part payment of the Paragon Sale Consideration, and the balance of the Paragon Sale Consideration which is not satisfied by the issue of Units, being approximately S\$1,140.9 million, shall be paid in cash to O290 and/or persons nominated by O290<sup>1</sup>. O290 will also receive the consideration for certain sculptures installed at Paragon and a new sculpture to be installed at Paragon (the “**Sculpture Sale Consideration**”)<sup>2</sup> in cash.

The sale of Clementi Mall is set at the consideration of S\$570.5 million (the “**Clementi Mall Sale Consideration**”), and was negotiated on a willing-buyer and willing-seller basis after taking into account the open market value of Clementi Mall as at 28 February 2013, which was independently appraised by the Independent Valuer for the Properties. CM Domain’s nominee is expected to receive 343.8 million Units at the Offering Price as part payment of the Clementi Mall Sale Consideration, and the balance of the Clementi Mall Sale Consideration which is not satisfied by the issue of Units, being approximately S\$268.0 million, shall be paid in cash to CM Domain<sup>1</sup> and/or persons nominated by CM Domain.

(See **Appendix A** to this Circular for the summary valuation certificates on the Paragon Property, the Paragon Freehold Interest and Clementi Mall issued by the Independent Valuer for the Properties (the “**Summary Valuation Certificates**”).)

### 4.1.3 Transaction-Related Costs

In addition to the above, the Company will incur estimated professional and other fees and expenses of approximately S\$0.5 million in connection with the Proposed Transfers.

### 4.1.4 Use of Proceeds from the sale of the Properties

The sale of the Properties will raise gross proceeds of approximately S\$1,410 million<sup>1</sup>. The Company expects to use the gross proceeds from the sale of the Properties as follows:

- (i) S\$361.2 million to discharge the existing encumbrances over Paragon and the amounts due to non-controlling interests of CM Domain;

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1 Assuming (i) an Offering size of approximately S\$540.0 million (assuming that the Over-Allotment Option is fully exercised) based on an assumed market capitalization of SPH REIT of approximately S\$2,200.0 million immediately post-Offering, (ii) a debt facility of S\$900.0 million to be put in place by SPH REIT immediately post-Offering and (iii) IPO expenses and debt upfront fees of approximately S\$30.0 million.

2 The Sculpture Sale Consideration refers to the sale consideration for certain existing sculptures installed at Paragon and a new sculpture to be installed at Paragon, comprising the aggregate of (a) S\$1.02 million and (b) an amount equivalent to all payments made prior to completion by O290 pursuant to the agreements entered into by O290 for the purchase of the said new sculpture (other than the purchase price and goods and services tax (“**GST**”) for the new sculpture to be installed at Paragon).



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- (ii) approximately S\$290.9 million for the payment of the Special Dividend; and
- (iii) approximately S\$0.5 million for the estimated professional and other fees and expenses incurred or to be incurred by the Company in connection with the Proposed Transfers.

The balance of approximately S\$757.4 million will be used as working capital and to enable SPHL to pursue its growth strategies across its property, media and other businesses.

Pending deployment, the proceeds from the sale of the Properties may be deposited with banks and/or financial institutions, and/or invested for any other purpose as the Company may, in its absolute discretion, deem fit.

### 4.1.5 Call Option Agreements

The Company (through the relevant members of the SPH Group) proposes to enter into the following call option agreements in connection with the Proposed Transfers as soon as practicable following Shareholders' approval of Resolution 1, on the terms and subject to the conditions of:

- (i) the Paragon Call Option Agreement; and
- (ii) the Clementi Mall Call Option Agreement.

#### Paragon Call Option Agreement

Principal terms of the Paragon Call Option Agreement include, *inter alia*, the following:

- (i) the REIT Trustee will be granted the right to require O290 to enter into a sale and purchase agreement (the "**Paragon Sale Agreement**") for the sale to the REIT Trustee of (a) the Paragon Property together with the plant and equipment (including the licensing of the right to use the trade mark 'Paragon') at the purchase price of S\$2,500.0 million, and (b) certain sculptures installed at Paragon and a new sculpture to be installed at Paragon, at the Sculpture Sale Consideration, which is the aggregate of (1) S\$1.02 million and (2) an amount equivalent to all payments made by O290 prior to the completion of the injection of the Paragon Property into SPH REIT pursuant to the agreements entered into by O290 for the purchase of the new sculpture (other than the purchase price and GST for the new sculpture). The call option under the Paragon Call Option Agreement may only be exercised if the REIT Trustee has also concurrently exercised the call option under the Clementi Mall Call Option Agreement referred to below;
- (ii) if, after the date of the Paragon Call Option Agreement and prior to the exercise of the call option under the Paragon Call Option Agreement, the Paragon Property and/or the plant and equipment or any part thereof is damaged, and such damage constitutes a Material Damage, the REIT Trustee is not entitled to exercise the call option under the Paragon Call Option Agreement unless the REIT Trustee confirms at the time of its exercise of such call option that it is prepared to bear all costs for the reinstatement of the Paragon Property and/or the plant and equipment and without seeking any compensation or contribution

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for such reinstatement from O290. “**Material Damage**” means that there is damage to any part of the Paragon Property and/or any part of the plant and equipment which causes, or will cause, results or will result in, the amount of the aggregate loss of the net property income of the Paragon Property over the 12-month period following the completion date to exceed S\$30.0 million;

- (iii) if Paragon and/or the plant and equipment or any part thereof is damaged, but such damage does not constitute a Material Damage, the REIT Trustee may exercise the call option under the Paragon Call Option Agreement and O290 must, unless that damage has been repaired to the reasonable satisfaction of the REIT Trustee before the exercise of the call option under the Paragon Call Option Agreement, at no cost to the REIT Trustee repair that damage as soon as practicable after the exercise of the call option under the Paragon Call Option Agreement to the reasonable satisfaction of the REIT Trustee and the provisions of the Paragon Sale Agreement relating to the carrying out of such works shall apply;
- (iv) O290 may enter into new tenancies or licences (i) where the term or period (including any options) would expire on or prior to the completion date, (ii) which are terminable with seven days’ (or less) notice, or (iii) where O290 is legally bound to renew any existing tenancy or licence in accordance with the terms of an existing tenancy or licence agreement provided that in the event of any such renewal (a) O290 gives written notice to the REIT Trustee of any exercise of an option to renew by the relevant tenant or licensee, (b) provides the REIT Trustee with full details of the renewal terms and (c) where the rent or licence fee for the renewed term or period is to be agreed with the relevant tenant or licensee or is to be based on prevailing market rent, O290 shall ensure that the gross monthly rent or monthly licence fee is not lower than the applicable monthly rent or monthly licence fee specified in an agreed schedule of rent and licence fee rates unless O290 has first obtained the REIT Trustee’s written consent to that rent or licence fee (such consent not to be unreasonably withheld or delayed); and
- (v) O290 must during the period commencing from the date of the Paragon Call Option Agreement and ending on the earlier of (i) the date of expiry of the call option period specified in the Paragon Call Option Agreement and (ii) the date of the Paragon Sale Agreement, give written notification to the REIT Trustee of the occurrence of certain events specified in the Paragon Call Option Agreement (e.g. if O290 becomes aware of the occurrence of any event or of any matter that has arisen in relation to the Paragon Property, which results or is likely to result in any of the representations set out in the Paragon Sale Agreement being unfulfilled, untrue, misleading or incorrect in any respect).

### Clementi Mall Call Option Agreement

Principal terms of the Clementi Mall Call Option Agreement include, *inter alia*, the following:

- (i) the REIT Trustee will be granted the right to require CM Domain to enter into a sale and purchase agreement (the “**Clementi Mall Sale Agreement**”) for the sale of Clementi Mall together with the plant and equipment to the REIT Trustee at the purchase price of S\$570.5 million. The call option under the Clementi Mall Call

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Option Agreement may only be exercised if the REIT Trustee has also concurrently exercised the call option under the Paragon Call Option Agreement referred to above;

- (ii) if, after the date of the Clementi Mall Call Option Agreement and prior to the exercise of the call option under the Clementi Mall Call Option Agreement, Clementi Mall and/or the plant and equipment or any part thereof is damaged, and such damage constitutes a Material Damage, the REIT Trustee is not entitled to exercise the call option under the Clementi Mall Call Option Agreement unless the REIT Trustee confirms at the time of its exercise of such call option that it is prepared to bear all costs for the reinstatement of Clementi Mall and/or the plant and equipment and without seeking any compensation or contribution for such reinstatement from CM Domain. “**Material Damage**” means that there is damage to any part of Clementi Mall and/or any part of the plant and equipment which causes, or will cause, results or will result in, the amount of the aggregate loss of the net property income of Clementi Mall over the 12-month period following the completion date to exceed S\$7.0 million;
- (iii) if Clementi Mall and/or the plant and equipment or any part thereof is damaged, but such damage does not constitute a Material Damage, the REIT Trustee may exercise the call option under the Clementi Mall Call Option Agreement and CM Domain must, unless that damage has been repaired to the reasonable satisfaction of the REIT Trustee before the exercise of the call option under the Clementi Mall Call Option Agreement, at no cost to the REIT Trustee repair that damage as soon as practicable after the exercise of the call option under the Clementi Mall Call Option Agreement to the reasonable satisfaction of the REIT Trustee and the provisions of the Clementi Mall Sale Agreement relating to the carrying out of such works shall apply;
- (iv) CM Domain may enter into new tenancies or licences (i) where the term or period (including any options) would expire on or prior to the completion date, (ii) which are terminable with seven days’ (or less) notice or (iii) where CM Domain is legally bound to renew any existing tenancy or licence in accordance with the terms of an existing tenancy or licence agreement provided that in the event of any such renewal (a) CM Domain gives written notice to the REIT Trustee of any exercise of an option to renew by the relevant tenant or licensee, (b) provides the REIT Trustee with full details of the renewal terms and (c) where the rent or licence fee for the renewed term or period is to be agreed with the relevant tenant or licensee or is to be based on prevailing market rent, CM Domain shall ensure that the gross monthly rent or monthly licence fee is not lower than the applicable monthly rent or monthly licence fee specified in an agreed schedule of rent and licence fee rates unless CM Domain has first obtained the REIT Trustee’s written consent to that rent or licence fee (such consent not to be unreasonably withheld or delayed); and
- (v) CM Domain must during the period commencing from the date of the Clementi Mall Call Option Agreement and ending on the earlier of (i) the date of expiry of the call option period specified in the Clementi Mall Call Option Agreement and (ii) the date of the Clementi Mall Sale Agreement, give written notification to the REIT Trustee of the occurrence of certain events specified in the Clementi Mall Call Option Agreement (e.g. if CM Domain becomes aware of the occurrence of any event or of any matter that has arisen in relation to Clementi Mall, which

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results or is likely to result in any of the representations set out in the Clementi Mall Sale Agreement being unfulfilled, untrue, misleading or incorrect in any respect).

### 4.1.6 Sale and Purchase Agreements

#### Paragon Sale Agreement

The Paragon Sale Agreement will be entered into by O290 (as vendor), the REIT Trustee (as purchaser) and Times Properties Private Limited (as guarantor for the vendor's obligations). O290 has agreed that when the call option under the Paragon Call Option Agreement is exercised, O290 will enter into the Paragon Sale Agreement on the same day. It is intended that the call option will be exercised by the REIT Trustee on the Listing Date and that completion of the sale and purchase of the Paragon Property will also take place on the Listing Date.

Completion of the sale and purchase of the Paragon Property is conditional upon the listing and quotation of the Units on the Listing Date and commencement of trading of such Units on the SGX-ST.

#### Clementi Mall Sale Agreement

The Clementi Mall Sale Agreement will be entered into by CM Domain (as vendor), the REIT Trustee (as purchaser) and Times Properties Private Limited (as guarantor for the vendor's obligations). CM Domain has agreed that when the call option under the Clementi Mall Call Option Agreement is exercised, CM Domain will enter into the Clementi Mall Sale Agreement as well as the Deed of Income Support to be provided by CM Domain to the REIT Trustee on the same day. It is intended that the call option will be exercised by the REIT Trustee on the Listing Date and that completion of the sale and purchase of Clementi Mall will also take place on the Listing Date.

Completion of the sale and purchase of Clementi Mall is conditional upon the listing and quotation of the Units on the Listing Date and commencement of trading of such Units on the SGX-ST.

### 4.1.7 Deed of Income Support

The Clementi Mall received its second Temporary Occupation Permit on 14 March 2011, and therefore, a significant proportion of its leases is still in the first lease term. As The Clementi Mall is still maturing in terms of shopper recognition, tenant performance and passing rents, it is proposed that CM Domain, being the vendor of Clementi Mall, shall enter into the Deed of Income Support with the REIT Trustee. Pursuant to the terms of the Deed of Income Support, CM Domain will provide the Income Support for the period from the Listing Date to the day immediately preceding the fifth anniversary date of the Listing Date.

Pursuant to the foregoing, in the event that the net property income of Clementi Mall is below S\$31.0 million per annum (pro-rated where the relevant financial period is less than a full financial year) (the "**Threshold Amount**"), CM Domain will undertake to pay to SPH REIT an amount (including, for the avoidance of doubt, any income tax and/or GST (if applicable)) equivalent to the difference between the Threshold Amount and the net property income of Clementi Mall for the relevant financial period, up to an

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aggregate amount of S\$20,000,000 for the entire five-year Income Support period. The payments will be made by CM Domain to SPH REIT on a quarterly basis, save that the first applicable period will be the period from the Listing Date to 30 November 2013, and the last applicable period will be the period from 1 June 2018 to the day immediately preceding the fifth anniversary date of the Listing Date.

CM Domain will also provide the REIT Trustee with security of S\$20.0 million in the form of banker's guarantees and/or cash deposit in an escrow account for a sum of S\$20.0 million less the aggregate top-up payments paid out by CM Domain under the Deed of Income Support.

The grant of the Income Support is intended to provide a more stabilised level of income for Clementi Mall.

### 4.1.8 SPHL ROFR

In connection with the Offering and the Listing of SPH REIT, the Company proposes to grant the SPHL ROFR to SPH REIT on the following terms with effect from the Listing Date:

#### Scope of SPHL ROFR

The SPHL ROFR shall cover any proposed offer by a Relevant Entity to dispose of any interest in any Relevant Asset which is owned by the Relevant Entity ("**Proposed Disposal**").

A "**Relevant Entity**" means SPHL or any of its existing or future subsidiaries or future private funds to be managed by SPHL ("**SPH Private Funds**").

A "**Relevant Asset**" refers to a completed income-producing real estate located in Asia-Pacific which is used primarily<sup>1</sup> for retail purposes. Where such real estate is held by a Relevant Entity through a special purpose vehicle, company or entity (a "**SPV**") established solely to own such real estate, the term "**Relevant Asset**" shall refer to the shares or, as the case may be, equity interests in that SPV. Where such real estate is co-owned by a Relevant Entity as a tenant-in-common, the term "**Relevant Asset**" shall refer to the ownership share of the Relevant Entity in such real estate.

If the Relevant Asset is:

- (i) owned jointly by a Relevant Entity together with one or more third parties and if consent of any of such third parties to offer the Relevant Asset to SPH REIT is required; or
- (ii) owned by SPHL's subsidiaries or SPH Private Funds which are not wholly-owned by SPHL and whose other shareholder(s) or private fund investor(s) is/are third parties, and if consent from such shareholder(s) or private fund investor(s) to offer the Relevant Asset to SPH REIT is required,

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<sup>1</sup> For the avoidance of doubt, the term "**primarily**" shall mean more than 50.0% of NLA or (in the case of a property where the concept of NLA is not applicable) gross floor area.



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SPHL shall use its best endeavours to obtain the consent of the relevant third party(ies), other shareholder(s) or private fund investor(s), failing which the right of first refusal will exclude the disposal of such Relevant Asset.

### Duration of SPHL ROFR

The SPHL ROFR subsists for so long as:

- (i) SPH REIT Management Pte. Ltd. or any of its related corporations remains the manager of SPH REIT;
- (ii) SPHL and/or any of its related corporations, alone or in aggregate, remains as a controlling shareholder<sup>1</sup> of the manager of SPH REIT; and
- (iii) SPHL and/or any of its related corporations, alone or in aggregate, remains as a controlling unitholder<sup>2</sup> of SPH REIT.

### Exceptions

The SPHL ROFR:

- (i) is subject to any prior overriding contractual obligations which the Relevant Entity may have in relation to the Relevant Assets and/or the third parties that hold these Relevant Assets;
- (ii) excludes the disposal of any interest in the Relevant Assets by a Relevant Entity to a related corporation of such Relevant Entity pursuant to a reconstruction, amalgamation, restructuring, merger and/or any analogous event or transfer of shares of the Relevant Entity between the shareholders as may be provided in any shareholders agreement; and
- (iii) is subject to the applicable laws, regulations and government policies.

In the event that the REIT Trustee fails or does not wish to exercise the SPHL ROFR, the Relevant Entity shall be entitled to dispose of its interest in the Relevant Asset to a third party on terms and conditions no more favourable to the third party than those offered by the Relevant Entity to the REIT Trustee. However, if the completion of the disposal of the Relevant Asset by the Relevant Entity does not occur within 12 months from the date of the written notice of the Proposed Disposal, any proposal to dispose of such Relevant Asset after the aforesaid 12-month period shall then remain subject to the SPHL ROFR.

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1 “**Controlling shareholder**” in relation to a company means:

- (i) a person who holds directly or indirectly 15.0% or more of the nominal amount of all voting shares of the company; or
- (ii) in fact exercises control over the company.

2 “**Controlling unitholder**” in relation to a real estate investment trust means:

- (i) a person who holds directly or indirectly 15.0% or more of the nominal amount of all voting units in the real estate investment trust; or
- (ii) in fact exercises control over the real estate investment trust.

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In the event that SPH REIT exercises the SPHL ROFR, any sale of the Relevant Asset by the Relevant Entity to SPH REIT will be subject to Chapter 9 and/or Chapter 10 of the Listing Manual of the SGX-ST (“**Listing Manual**”), where applicable.

### **4.2 Directors’ service contracts in relation to the Proposed Transfers**

No person is proposed to be appointed as a director of SPHL in connection with the Proposed Transfers or any other transactions contemplated in connection with the Proposed Transfers.

### **4.3 Major Transaction – Chapter 10 of the Listing Manual**

**4.3.1** Chapter 10 of the Listing Manual governs the acquisition or disposal of assets, including options to acquire or dispose of assets, by SPHL. Such transactions are classified into the following categories:

- (i) non-discloseable transactions;
- (ii) discloseable transactions;
- (iii) major transactions; and
- (iv) very substantial acquisitions or reverse takeovers.

**4.3.2** A proposed acquisition or divestment by SPHL may fall into any of the categories set out in paragraph 4.3.1 above depending on the size of the relative figures computed on the following bases of comparison set out in Rule 1006 of the Listing Manual:

- (i) the NAV of the assets to be disposed of, compared with the SPH Group’s NAV (this basis is not applicable to an acquisition of assets);
- (ii) the net profits attributable to the assets acquired or disposed of, compared with the SPH Group’s net profits; and
- (iii) the aggregate value of the consideration given or received, compared with SPHL’s market capitalisation.

Where any of the relative figures computed on the bases set out above is 20.0% or more, the transaction is classified as a “major transaction” under Rule 1014 of the Listing Manual and would be subject to the approval of Shareholders, unless such transaction is in the ordinary course of the Company’s business.

## LETTER TO SHAREHOLDERS

**4.3.3** The relative figures in relation to the injection of the Properties into SPH REIT under the Proposed Transfers, computed on the applicable bases of comparison set out above, are as follows:

Rule 1006	Bases	Properties (S\$' million)	SPH Group <sup>(1)</sup> (S\$' million)	Relative Figures (%)
(a)	NAV of the Properties as at 31 August 2012, compared with the SPH Group's NAV as at 31 August 2012	1,738.9	2,242.3	77.5
(b)	Net profits based on 100.0% of the Properties for FY2012, compared with the SPH Group's net profits for FY2012	95.7	365.5	26.2
(c)	Consideration given for the Properties, compared with SPHL's market capitalisation <sup>(2)</sup>	3,070.5	SPHL's market capitalisation <sup>(2)</sup> : 7,191.5	42.7

**Notes:**

- (1) SPH Group's figures is based on historical book values of the Properties.
- (2) SPHL's market capitalisation is based upon 1,616.1 million Shares in issue and a share price of S\$4.45 per Share as at 22 May 2013, being the latest practicable date prior to the printing of this Circular (the "**Latest Practicable Date**").

**4.3.4** The relative figures in relation to the Proposed Transfers on a net basis after taking into account the injection of the Properties into SPH REIT and the receipt of Units by the SPH Group as part consideration for the sale of the Properties, computed on the applicable bases of comparison set out above, are as follows:

Rule 1006	Bases	Properties <sup>(1)</sup> (S\$' million)	SPH Group <sup>(2)</sup> (S\$' million)	Relative Figures (%)
(a)	NAV of the Properties as at 31 August 2012 less the NAV of the Units acquired by the SPH Group, compared with the SPH Group's NAV as at 31 August 2012	520.8	3,658.3	14.2

## LETTER TO SHAREHOLDERS

Rule 1006	Bases	Properties <sup>(1)</sup> (S\$' million)	SPH Group <sup>(2)</sup> (S\$' million)	Relative Figures (%)
(b)	Net profits of the Properties for FY2012 less the net profits attributable to the Units to be acquired by the SPH Group, compared with the SPH Group's net profits for FY2012	(26.6)	338.9	(7.8)
(c)	Consideration given for the Properties less the consideration given for the Units to be acquired by the SPH Group, compared with SPHL's market capitalisation <sup>(3)</sup>	520.8	SPHL's market capitalisation <sup>(3)</sup> : 7,191.5	7.2

**Notes:**

- (1) Represents 30% dilution of interest in the Properties to SPH REIT.
- (2) SPH Group's figures has been restated to take into account the change in accounting policy from cost basis to fair value basis as referred to in paragraph 5.1(i) below, 30% dilution of interest in the Properties to SPH REIT and related listing fees.
- (3) SPHL's market capitalisation is based upon 1,616.1 million Shares in issue and a share price of S\$4.45 per Share as at the Latest Practicable Date.

The Proposed Transfers are considered to be a major transaction for SPHL as defined in Chapter 10 of the Listing Manual.

### 5. FINANCIAL EFFECTS OF THE PROPOSED TRANSFERS

#### 5.1 Bases and assumptions

The financial effects have been prepared for illustrative purposes only and do not reflect the future actual financial position of the SPH Group post-Proposed Transfers. The significant assumptions and bases are set out as follows:

- (i) the Group would change its accounting policy for the measurement of investment properties from a cost basis to a fair value basis, as allowed by FRS 40 *Investment Property*, and that the differences between the fair value and the historical cost of the Paragon Freehold Interest and Clementi Mall were recorded in the retained earnings of the Group as at 31 August 2012. Any subsequent changes in fair values of the investment properties are recognised in the income statement of the Group;
- (ii) the fair values of the Paragon Freehold Interest and Clementi Mall as at the beginning and end of FY2012 are assumed to be S\$2,610.0 million and S\$570.0 million respectively, based on the independent valuations carried out by the Independent Valuer for the Properties as at 28 February 2013. The valuation of Clementi Mall takes into account the effects of the Income Support;

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## LETTER TO SHAREHOLDERS

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- (iii) the Group is expected to hold 70% of SPH REIT as at the completion of the Offering<sup>1</sup>;
- (iv) proceeds from the Offering and new borrowings of SPH REIT were utilised to discharge the existing encumbrances over Paragon and the amounts due to non-controlling interests of CM Domain amounting to S\$361.2 million. Average interest rates for such new borrowings is assumed to be 2.2% per annum inclusive of related transaction costs; and
- (v) the impact of the Special Dividend has not been taken into account in the financial effects.

### 5.2 NAV per Share

Assuming the Proposed Transfers had been completed on 31 August 2012, the financial effects of the Proposed Transfers on the consolidated NAV of the SPH Group as at 31 August 2012 are as follows:

	<b>Before the Proposed Transfers</b>	<b>Post-Proposed Transfers</b>
NAV (S\$'million) <sup>(1)</sup>	2,242.3	3,658.3
No. of issued Shares ('million)	1,612.0	1,612.0
NAV per Share (S\$)	1.39	2.27

**Note:**

(1) The increase in NAV is mainly a result of the change in accounting policy referred to in paragraph 5.1(i) above.

### 5.3 NTA per Share

Assuming the Proposed Transfers had been completed on 31 August 2012, the financial effects of the Proposed Transfers on the consolidated net tangible assets (“**NTA**”) of the SPH Group as at 31 August 2012 are set out below. The NTA is determined by the consolidated NAV of the SPH Group less the SPH Group’s share of intangible assets.

	<b>Before the Proposed Transfers</b>	<b>Post-Proposed Transfers</b>
NTA (S\$'million) <sup>(1)</sup>	2,113.3	3,529.3
No. of issued Shares ('million)	1,612.0	1,612.0
NTA per Share (S\$)	1.31	2.19

**Note:**

(1) The increase in NTA is mainly a result of the change in accounting policy referred to in paragraph 5.1(i) above.

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1 Assuming that the Over-Allotment Option is fully exercised.



## LETTER TO SHAREHOLDERS

### 5.4 Earnings per Share

Assuming the Proposed Transfers had been completed on 1 September 2011, the financial effects of the Proposed Transfers on the consolidated earnings of the SPH Group for FY2012 are as follows:

	Before the Proposed Transfers	Post-Proposed Transfers
Profit after tax attributable to shareholders of the Company (S\$'million)	365.5	338.9
Weighted average number of Shares ('million)	1,610.7	1,610.7
Earnings per Share (S\$)	0.23	0.21

## 6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

### 6.1 Interests of Directors

Mr Ng Ser Miang is the chairman of NTUC Fairprice Co-operative Limited, which holds 20.0% of the shares in SG Domain Pte. Ltd. In addition, Mr Chan Heng Loon Alan is a non-executive director of the REIT Manager.

The interests of the Directors in the ordinary shares in the share capital of the Company ("**Ordinary Shares**") as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

Director	Direct Interest		Deemed Interest	
	No. of Ordinary Shares	% <sup>(1)</sup>	No. of Ordinary Shares	% <sup>(1)</sup>
Lee Boon Yang	–	–	–	–
Cham Tao Soon	20,000	0.001	10,183	–
Chan Heng Loon Alan	761,550	0.048	–	–
Bahren Shaari	–	–	–	–
Willie Cheng Jue Hiang	208,500	0.013	12,750	–
Chong Siak Ching	–	–	–	–
Ng Ser Miang	–	–	–	–
Sum Soon Lim	–	–	–	–
Tan Yen Yen	–	–	–	–
Lucien Wong Yuen Kuai	–	–	20,000	0.001

**Note:**

(1) The percentage interest is based on a total of 1,616.1 million Shares in issue as at the Latest Practicable Date.

## LETTER TO SHAREHOLDERS

The interests of the Directors in outstanding options and awards granted under share option or share incentive plans implemented by the Company as at the Latest Practicable Date are set out below:

Director	No. of Ordinary Shares comprised in outstanding options	No. of Ordinary Shares comprised in conditional awards
Chan Heng Loon Alan	1,275,000	1,145,900

The interests of the Directors in the management shares in the share capital of the Company (“**Management Shares**”) as recorded in the Register of Directors’ Shareholdings as at the Latest Practicable Date are set out below:

Director	Direct Interest		Deemed Interest	
	No. of Management Shares	% <sup>(1)</sup>	No. of Management Shares	% <sup>(1)</sup>
Lee Boon Yang	4	—	—	—
Cham Tao Soon	4	—	—	—
Chan Heng Loon Alan	12	—	—	—
Bahren Shaari	4	—	—	—
Willie Cheng Jue Hiang	4	—	—	—
Chong Siak Ching	4	—	—	—
Ng Ser Miang	4	—	—	—
Sum Soon Lim	4	—	—	—
Tan Yen Yen	4	—	—	—
Lucien Wong Yuen Kuai	4	—	—	—

**Note:**

(1) The percentage interest is based on a total of 1,616.1 million Shares in issue as at the Latest Practicable Date.

Save as disclosed in this paragraph 6 and based on information available to the Company as at the Latest Practicable Date, none of the Directors has any interest, direct or indirect, in the Proposed Transfers.

### 6.2 Interests of substantial shareholders

As at the Latest Practicable Date, the Company does not have any substantial shareholders.

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## LETTER TO SHAREHOLDERS

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### 7. RECOMMENDATIONS

#### 7.1 On the proposed establishment of SPH REIT and the injection of the Paragon Property and Clementi Mall into SPH REIT

After taking into consideration the rationale of the Proposed Transfers (as set out in paragraph 3.1 (*Rationale for the Proposed Transfers*) of the Letter to Shareholders) and the Summary Valuation Certificates (as set out in **Appendix A** to this Circular), and after discussion with the management of the Company, the Board is of the view that the Proposed Transfers would be beneficial to, and is in the interests of, the Company and its Shareholders. Accordingly, the Board recommends that Shareholders vote at the EGM in favour of Resolution 1 relating to the proposed establishment of SPH REIT and the injection of the Paragon Property and Clementi Mall into SPH REIT.

As each Shareholder would have different investment objectives and profiles, the Board recommends that any individual Shareholder who may require specific advice in relation to his investment portfolio consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers immediately.

#### 7.2 On the Special Dividend

Having regard to the rationale for the Special Dividend (as set out in paragraph 3.2 (*Rationale for the Special Dividend*) of the Letter to Shareholders), the Board is of the view that the Special Dividend is in the interests of the Company and its Shareholders. Accordingly, the Board recommends that Shareholders vote at the EGM in favour of Resolution 2 relating to the proposed Special Dividend.

### 8. EXTRAORDINARY GENERAL MEETING

The EGM will be held on 18 June 2013 at 9.30 a.m. at the Auditorium, 1000 Toa Payoh North, News Centre, 1st Storey, Annexe Block, Singapore 318994, for the purpose of considering and, if thought fit, passing with or without modification, the resolutions set out in the Notice of EGM, which is set out on pages B-1 and B-2 of this Circular. The purpose of this Circular is to provide Shareholders with relevant information about the resolutions. Approval by way of an Ordinary Resolution is required in respect of each of Resolution 1 (in respect of the proposed establishment of SPH REIT and the injection of the Paragon Property and Clementi Mall into SPH REIT) and Resolution 2 (in respect of the proposed Special Dividend).

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited (“**CDP**”) as at 48 hours before the EGM.

### 9. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders will find enclosed with this Circular, the Notice of EGM and the accompanying Proxy Form.

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of Tricor Barbinder Share Registration Services, the Share Registration office of the Company at 80 Robinson Road, #02-00, Singapore 068898, not later than 9.30 a.m. on 16 June 2013. Completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM if he so wishes.

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## LETTER TO SHAREHOLDERS

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### 10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transfers and the Special Dividend, and the Company and its subsidiaries which are relevant to the Proposed Transfers and the Special Dividend, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

### 11. CONSENTS

#### 11.1 Independent Valuer for the Properties

Knight Frank Pte Ltd, the Independent Valuer for the Properties, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the Summary Valuation Certificates from Knight Frank Pte Ltd and all references thereto, in the form and context in which they are included in this Circular.

### 12. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 1000 Toa Payoh North, News Centre, Singapore 318994, during normal business hours from the date of this Circular up to and including the date falling three months after the date of this Circular:

- (i) the memorandum and articles of association of the Company;
- (ii) audited consolidated financial statements of the SPH Group for FY2012;
- (iii) drafts of the Call Option Agreements;
- (iv) drafts of the Sale and Purchase Agreements;
- (v) a draft of the Deed of Income Support; and
- (vi) the full valuation reports on the Paragon Property, the Paragon Freehold Interest and Clementi Mall prepared by Knight Frank Pte Ltd.

Yours faithfully,  
For and on behalf of  
the Board of Directors of  
**SINGAPORE PRESS HOLDINGS LIMITED**

Dr Lee Boon Yang  
Chairman  
27 May 2013

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## APPENDIX A

### SUMMARY VALUATION CERTIFICATES

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**Knight Frank**



27 May 2013

Singapore Press Holdings Limited  
1000 Toa Payoh North  
News Centre  
Singapore 318994

Dear Sirs

**VALUATION OF**

**(1) 290 ORCHARD ROAD "PARAGON" SINGAPORE 238859**

**(2) 3155 COMMONWEALTH AVENUE WEST "THE CLEMENTI MALL" SINGAPORE 129588  
SINGAPORE**

**1 Instructions**

We refer to your instructions to carry out a formal valuation in respect of the abovementioned properties (the "Properties"). We have specifically been instructed to provide our opinion of Market Values of the Properties as at 28 February 2013, subject to the existing tenancies and occupational arrangements and with income support for The Clementi Mall.

We have, in accordance with the instructions, prepared a formal comprehensive valuation report for each of the Properties.

Our valuation is our opinion of the Market Value, which we would define as intended to mean:

"the best price at which the sale of an interest in property might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation, assuming:

- (a) a willing, but not anxious, buyer and seller;
- (b) that prior to the date of valuation there had been a reasonable period (having regard to the nature of the property and the state of the market), for the proper marketing of the interest, for the agreement of price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation; and
- (d) that no account is taken of any additional bid by a purchaser with a 'special interest'."

Our valuation has been made on the assumption that the Properties are sold in the open market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to alter the value of the Properties.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Properties or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect value.

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KF Property Network Pte Ltd (Licensee) 167 Jalan Bukit Merah #06-10 Connection One Tower 5 Singapore 150167





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## APPENDIX A

### SUMMARY VALUATION CERTIFICATES

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#### 1 Instructions

In preparing this valuation, we have relied on information provided by Singapore Press Holdings Limited, particularly in respect of such matters as tenancy schedules, site and floor areas, other revenues, etc. Dimensions, measurements and areas are only approximations.

We have prepared and provided this Valuation Summary letter outlining key factors that have been considered in arriving at our opinion of values for inclusion in the Circular to be issued in connection with the sale of the Properties to the proposed SPH REIT. The value conclusions reflect all information known by the valuers of Knight Frank Pte Ltd who worked on the valuations in respect to the Properties, market conditions and available data.

#### 2 Reliance on This Letter

For the purposes of the Circular, we have prepared this letter which summarises our Reports and outlines key factors which have been considered in arriving at our opinions of value. This letter alone does not contain all the necessary data and support information included in our Reports. Knight Frank Pte Ltd has provided Singapore Press Holdings Limited a comprehensive valuation report for each of the Properties. The valuations and market information are not guarantees or predictions and must be read in conjunction with the following:

- (a) The estimated value is based upon the factual information provided by Singapore Press Holdings Limited. Whilst Knight Frank Pte Ltd has endeavoured to assure the accuracy of the factual information, it has not independently verified all information provided by Singapore Press Holdings Limited (primarily copies of tenancy schedule and other information) or the Government of Singapore (primarily statistical information relating to market conditions). Knight Frank Pte Ltd believes that every investor and every recipient of the Circular, before making an investment in the SPH REIT, should review the Reports to understand the complexity of the methodology and the many variables involved.
- (b) The methodologies used by Knight Frank Pte Ltd in valuing the Properties are the Capitalisation Approach and the Discounted Cash Flow Analysis. These valuation methodologies are summarised in Section 5 of this letter.
- (c) The Reports were undertaken based upon information available as at 28 February 2013. Knight Frank Pte Ltd accepts no responsibility for subsequent changes in information as to income, expenses or market conditions.

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## APPENDIX A

### SUMMARY VALUATION CERTIFICATES

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### 3 The Properties

The Properties comprise a retail/medical suite/office development and a retail mall. Brief descriptions of the Properties are as follows:

#### Paragon

Paragon is a 20-storey commercial development comprising a 6-storey retail podium with 2 basement levels and a 14-storey medical suite/office tower. It is positioned as a luxury high-end retail mall with a cluster of international brand flagship stores along Orchard Road. The building accommodates a supermarket, department store, retail units, restaurants and food outlets from Basement 1 to 6th storey and fitness centre, medical suites and offices from 6th to 20th storeys. 416 car park lots are located on Basement 1 and 2.

Major tenants include Paragon Market Place, Metro, Marks & Spencer, Fitness First and Pacific Healthcare.

#### The Clementi Mall

The Clementi Mall is a 5-storey retail podium with 2 levels of basement car park (total 166 lots). It is part of an integrated mixed-use development comprising a retail podium (The Clement Mall) with direct connection to the Clementi MRT station on the 3rd storey and bus interchange on the 1st storey and two 40-storey residential blocks (total 388 HDB flats), built by the Housing and Development Board. The retail podium accommodates a supermarket, department store, foodcourt, library, retail units, restaurants, fast food outlets, electrical & electronics stores and banks.

Major tenants include FairPrice Finest Co-operative Limited, BHG Co. Ltd, Foodfare Pte Ltd, Popular Bookstore and The National Library.

A guaranteed net property income of S\$31 million per annum to be provided by the Vendor for a term of 5 years from listing date, payable quarterly in arrears.

### 4 Summary of Property Details

The following table summarises key property details for each of the Properties:

Property	Land Area (sm)	Total Gross Floor Area (sf)	Total Lettable Floor Area (sf)	Interest Valued	Master Plan 2008
290 Orchard Road "Paragon"	17,362.2	1,017,707	706,690	<ul style="list-style-type: none"> <li>• Freehold</li> <li>• Leasehold 99 years wef listing date</li> </ul>	Commercial zone
3155 Clementi Avenue West "The Clementi Mall"	16,579.2	289,877	192,089	Leasehold 99 years wef 31 August 2010	Commercial and Residential zone

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## APPENDIX A

### SUMMARY VALUATION CERTIFICATES

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#### 5 Valuation Rationale

In arriving at our opinion of values, we have considered relevant general and economic factors. We have utilised the Capitalisation Approach and Discounted Cash Flow analysis in undertaking our assessment for each of the Properties.

##### Capitalisation Approach

In the Capitalisation Approach, the estimated gross revenue has been adjusted to reflect an ongoing vacancy and bad debts allowance, operating expenses, property tax and management fees, producing a net income.

The net income of the Property is capitalised for perpetuity/the balance term of the lease tenure at a yield rate which is appropriate for the type of use, tenure and reflective of the quality of the investment, based on analysis of yields reflected in the sales of comparable property types. Capital adjustments such as letting-up allowance, capital expenditure and capitalised rental reversions are then made to derive the capital value of the Property.

Gross revenue comprises rental from existing and committed tenancies, potential future income from vacant units (if any), turnover and other income of the Property. Other income includes rentals of atrium space, advertisement panels, car park and other miscellaneous income.

##### Discounted Cash Flow Analysis

A valuation using the Discounted Cash Flow (DCF) model is carried out over a period of about 10 years from 28 February 2013 (the material date) to 31 December 2022 for the Property.

The Property is hypothetically assumed to be sold after the end of the tenth year. The cash outflows (comprising property tax, property insurance, etc.) are deducted from the cash inflows of the Property to obtain the net cash flows. The stream of net cash flows is discounted at an estimated required rate of return applicable to that class of property to obtain the Net Present Value.

The Discounted Cash Flow analysis is used as the Property is income-producing property. This form of analysis reflects investors' decision-making process and values the property in such a manner as to attain the desired level of investment return commensurate with the risk of that asset class. This method is also more precise as it takes into account the timing of receipts and payments. In undertaking this analysis, we have also used a wide range of assumptions for the valuation of the Property.

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## APPENDIX A

### SUMMARY VALUATION CERTIFICATES

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#### 5 Valuation Rationale

One key component of the DCF model is the estimation of two rates. One is the hurdle rate at which investors will discount the income stream over the assumed 10-year investment horizon. The second is the terminal yield for the asset, which is used to capitalize the income from year 11 onwards, to derive the terminal value of the asset after providing disposal cost and related expenses. The terminal value took into account the remaining tenure of the lease.

Based on the above, the following table outlines the salient valuation assumptions adopted in undertaking our assessment:

Property	Capitalisation Rate	Terminal Yield	Target Discount Rate (10-year)
290 Orchard Road "Paragon"	<u>Freehold</u> 4.65%	<u>Freehold</u> 4.65%	7.50%
	<u>Leasehold 99 years wef Listing Date</u> 4.75%	<u>Leasehold 99 years wef Listing Date</u> 5.00%	
3155 Commonwealth Avenue West "The Clementi Mall"	5.00%	5.00%	7.50%

#### 6 Summary of Values

We are of the opinion that the Market Values of the Properties, as at 28 February 2013, subject to the existing tenancies and occupational arrangements, are:

Property	Market Value
290 Orchard Road "Paragon"	<u>Freehold</u> S\$2,610,000,000/- (Singapore Dollars Two Billion Six Hundred And Ten Million Only)
	<u>Leasehold 99 years wef Listing Date</u> S\$2,502,000,000/- (Singapore Dollars Two Billion Five Hundred And Two Million Only)
3155 Commonwealth Avenue West "The Clementi Mall"	S\$570,000,000* (Singapore Dollars Five Hundred And Seventy Million Only)

\* Value takes into account the guaranteed net property income of S\$31 million per annum to be provided by the Vendor for a term of 5 years from listing date, payable quarterly in arrears.

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## APPENDIX A SUMMARY VALUATION CERTIFICATES

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### 7 DISCLAIMER

We have prepared this Valuation Summary letter for inclusion in the Circular and specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Circular, other than in respect of the information provided within the aforementioned Reports and this Valuation Summary letter. We do not make any warranty or representation as to the accuracy of the information in any other part of the Circular other than as expressly made or given by Knight Frank Pte Ltd in this Valuation Summary letter or in the Reports.

Knight Frank Pte Ltd has relied upon property data supplied by Singapore Press Holdings Limited, which we assume to be true and accurate. Knight Frank Pte Ltd takes no responsibility for inaccurate data supplied by Singapore Press Holdings Limited and subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the Properties and have no personal interest or bias with respect to the party/parties involved. 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.

We certify that our valuers undertaking the valuations are authorised to practice as valuers and have the necessary expertise and experience in valuing similar types of properties.

Yours faithfully  
Knight Frank Pte Ltd

Low Kin Hon  
B.Sc.(Estate Management) Hons.,FSISV  
Managing Director  
Valuation  
Appraiser's Licence No. AD 041-2003752I

Woo Ai Lian  
MBA, B.Sc.(Estate Management) Hons.,MSISV  
Director  
Valuation  
Appraiser's Licence No. AD 041-2004048B

# APPENDIX A

## SUMMARY VALUATION CERTIFICATES

# Knight Frank



### VALUATION CERTIFICATE

<b>Property</b>	: 290 Orchard Road "Paragon" Singapore 238859
<b>Client</b>	: Singapore Press Holdings Limited
<b>Purpose</b>	: Intending sale to the proposed SPH REIT
<b>Legal Description</b>	: Lot Nos. : 1139C, 981T and 1273N Town Subdivision : 27
<b>Tenure</b>	: Estate in Fee Simple (Grants 49 & 34, District of Claymore and Grant in Fee Simple 2967)
<b>Interests Valued</b>	: (A) Freehold (B) Leasehold 99 years commencing from the date of listing of SPH REIT
<b>Basis Of Valuation</b>	: Market value subject to existing tenancies and occupational arrangements
<b>Registered Owner</b>	: Orchard 290 Ltd
<b>Land Area</b>	: 17,362.2 sm
<b>Master Plan 2008</b>	: "Commercial" with a gross plot ratio of 4.9+
<b>Brief Description</b>	: Paragon is a 20-storey commercial development comprising a 6-storey retail podium with 2 basement levels and a 14-storey medical suite/office tower. It is positioned as a luxury high-end retail mall with a cluster of international brand flagship stores along Orchard Road. The building accommodates a supermarket, department store, retail units, restaurants and food outlets from Basement 1 to 6th storey and fitness centre, medical suites and offices from 6th to 20th storeys. 416 car park lots are located on Basement 1 and 2. Paragon was originally built in 1986 and the medical suite/office tower was completed in 1999. The retail podium was extended in 2003. Facade enhancement works with increased retail space and addition/alteration works were carried out in stages and completed in March 2009.
<b>Tenancy Profile</b>	: Major tenants include Paragon Market Place, Metro, Marks & Spencer, Fitness First, Pacific Healthcare, retail and medical suite/office non-major tenants.
<b>Gross Floor Area</b>	: Retail : 737,142 sf Medical suite/office : <u>280,565 sf</u> Total : <u>1,017,707 sf</u>
<b>Lettable Floor Area</b>	: Retail : 483,690 sf Medical suite/office : <u>223,000 sf</u> Total : <u>706,690 sf</u>
<b>Valuation Approaches</b>	: Capitalisation Approach and Discounted Cash Flow Analysis
<b>Date Of Valuation</b>	: 28 February 2013
<b>Market Value</b>	: (A) <u>Freehold</u> S\$2,610,000,000/- (Singapore Dollars Two Billion Six Hundred And Ten Million Only)  (B) <u>Leasehold 99 years commencing from the date of listing of SPH REIT</u> S\$2,502,000,000/- (Singapore Dollars Two Billion Five Hundred And Two Million Only)
<b>Assumptions, Disclaimers, Limitations &amp; Qualifications</b>	: <i>This valuation certificate is provided subject to the assumptions, disclaimers, limitations and qualifications detailed throughout this certificate which are made in conjunction with those included within the Limiting Conditions located at the end of this certificate. Reliance on this certificate and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. Use by, or reliance upon this document for any other purpose if not authorized, Knight Frank Pte Ltd is not liable for any loss arising from such unauthorized use or reliance. The document should not be reproduced without our written authority. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.</i>
<b>Prepared By</b>	: Knight Frank Pte Ltd

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**APPENDIX A**  
**SUMMARY VALUATION CERTIFICATES**

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**LIMITING CONDITIONS**

This property Valuation and Report is subject to the following limiting conditions:-

- (1) The Valuer's responsibility in connection with this report is limited to the client to whom the report is addressed. The valuer disclaims all responsibility and will accept no liability to any other party.
- (2) Reproduction of this report in any manner whatsoever in whole or in part or any reference to it in any published document, circular or statement without the Valuer's prior written approval of the form and context in which may appear is prohibited.
- (3) The opinion expressed in this Valuation Report is made strictly in accordance with the terms and for the purpose expressed therein and the values assessed and any allocation of values between portions of the property need not be applicable in relation to some other assessment.
- (4) All liens and encumbrances, if any, affecting the property have been disregarded unless otherwise stated and it is assumed that the current use of the property is not in contravention of any planning or other governmental regulation or law.
- (5) The Valuer does not warrant to the client to whom the report is addressed and any other person the title or the rights of any person with regard to the property.
- (6) Unless otherwise stated all information has been obtained by our search of records and examination of documents or by enquiry from Government departments or other appropriate authorities. When it is stated in this report that information has been supplied to the valuer by another party, this information is believed to be reliable and the valuer shall not be held responsible or liable if this should prove not to be so.
- (7) While due care is taken to note building defects in the course of inspection, no structural survey is made and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects.
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# APPENDIX A

## SUMMARY VALUATION CERTIFICATES

# Knight Frank



### VALUATION CERTIFICATE

<b>Property</b>	: 3155 Commonwealth Avenue West "The Clementi Mall" Singapore 129588
<b>Client</b>	: Singapore Press Holdings Limited
<b>Purpose</b>	: Intending sale to the proposed SPH REIT
<b>Legal Description</b>	: Part of Land Lot No. : 8292P Child Lot Nos. : U71433V and U71434P Mukim : 5
<b>Interest Valued</b>	: Leasehold 99 years with effect from 31 August 2010 (Balance of about 96.5 years as at 28 February 2013)
<b>Basis Of Valuation</b>	: Market value subject to existing tenancies and occupational arrangements
<b>Registered Owner</b>	: CM Domain Pte. Ltd.
<b>Land Area (Lot No. 8292P Mukim 5)</b>	: 16,579.2 sm
<b>Master Plan 2008</b>	: "Commercial and Residential" with a gross plot ratio of 5.0
<b>Brief Description</b>	: The Clementi Mall is a 5-storey retail podium with 2 levels of basement car park (total 166 lots). It is part of an integrated mixed-use development comprising a retail podium (The Clement Mall) with direct connection to the Clementi MRT station on the 3rd storey and bus interchange on the 1st storey and two 40-storey residential blocks (total 388 HDB flats), built by the Housing and Development Board. The retail podium accommodates a supermarket, department store, foodcourt, library, retail units, restaurants, fast food outlets, electrical & electronics stores and banks. The Temporary Occupation Permits for the additions and alterations at Basement 2 to 5th storey were issued on 31 December 2010 and 14 March 2011.
<b>Tenancy Profile</b>	: Major tenants include FairPrice Finest Co-operative Limited, BHG Co. Ltd, Foodfare Pte Ltd, Popular Bookstore, The National Library and retail non-major tenants.
<b>Gross Floor Area</b>	: 289,877 sf including Civic and Community Institutional space of 21,173 sf
<b>Lettable Floor Area</b>	: 192,089 sf including Civic and Community Institutional space of 21,173 sf
<b>Valuation Approaches</b>	: Capitalisation Approach and Discounted Cash Flow Analysis
<b>Date Of Valuation</b>	: 28 February 2013
<b>Income Support</b>	: A guaranteed net property income of S\$31 million per annum to be provided by the Vendor for a term of 5 years from listing date, payable quarterly in arrears.
<b>Market Value</b>	: S\$557,000,000/- (Singapore Dollars Five Hundred And Fifty-Seven Million Only) WITHOUT INCOME SUPPORT  S\$570,000,000/- (Singapore Dollars Five Hundred And Seventy Million Only) WITH INCOME SUPPORT
<b>Assumptions, Disclaimers, Limitations &amp; Qualifications</b>	: <i>This valuation certificate is provided subject to the assumptions, disclaimers, limitations and qualifications detailed throughout this certificate which are made in conjunction with those included within the Limiting Conditions located at the end of this certificate. Reliance on this certificate and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. Use by, or reliance upon this document for any other purpose if not authorized, Knight Frank Pte Ltd is not liable for any loss arising from such unauthorized use or reliance. The document should not be reproduced without our written authority. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.</i>
<b>Prepared By</b>	: Knight Frank Pte Ltd

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## APPENDIX A SUMMARY VALUATION CERTIFICATES

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- (3) The opinion expressed in this Valuation Report is made strictly in accordance with the terms and for the purpose expressed therein and the values assessed and any allocation of values between portions of the property need not be applicable in relation to some other assessment.
- (4) All liens and encumbrances, if any, affecting the property have been disregarded unless otherwise stated and it is assumed that the current use of the property is not in contravention of any planning or other governmental regulation or law.
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- (7) While due care is taken to note building defects in the course of inspection, no structural survey is made and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects.
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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### SINGAPORE PRESS HOLDINGS LIMITED

Company Registration No. 198402868E  
(Incorporated in the Republic of Singapore)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Singapore Press Holdings Limited (the “**Company**” or “**SPHL**”) will be held at the Auditorium, 1000 Toa Payoh North, News Centre, 1st Storey, Annexe Block, Singapore 318994 on 18 June 2013 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

#### ORDINARY RESOLUTION

#### 1. THE PROPOSED ESTABLISHMENT OF SPH REIT AND THE INJECTION OF THE PARAGON PROPERTY AND CLEMENTI MALL INTO SPH REIT

That:

(1) approval be and is hereby given for:

- (a) the entry by Orchard 290 Ltd (“**O290**”) (a wholly-owned subsidiary of Times Properties Private Limited, which is in turn a wholly-owned subsidiary of SPHL) into the Paragon Call Option Agreement (as defined in the circular dated 27 May 2013 (the “**Circular**”) issued by SPHL to shareholders of SPHL (“**Shareholders**”));
- (b) the sale to DBS Trustee Limited, in its capacity as trustee of SPH REIT (the “**REIT Trustee**”) of (i) a 99-year leasehold interest in Paragon located at 290 Orchard Road, Singapore 238859, commencing on the date of listing of SPH REIT, a proposed real estate investment trust to be established in Singapore, on the Main Board of Singapore Exchange Securities Trading Limited (the “**Paragon Property**”), together with the plant and equipment (including the licensing of the right to use the trade mark ‘Paragon’) at a consideration of S\$2,500.0 million and (ii) certain sculptures installed at Paragon and a new sculpture to be installed at Paragon, for the Sculpture Sale Consideration (as defined in the Circular), on the terms and conditions set out in the sale and purchase agreement to be entered into between O290 (as vendor), the REIT Trustee (as purchaser) and Times Properties Private Limited (as guarantor for the vendor’s obligations) in relation to the sale of the Paragon Property (the “**Paragon Sale Agreement**”); and
- (c) the entry by O290 and Times Properties Private Limited into the Paragon Sale Agreement;

(2) approval be and is hereby given for:

- (a) the entry by CM Domain Pte. Ltd. (“**CM Domain**”) (a wholly-owned subsidiary of SG Domain Pte. Ltd., which is owned by Times Properties Private Limited (a wholly-owned subsidiary of SPHL), NTUC Income Insurance Co-operative Limited and NTUC Fairprice Co-operative Limited in the proportion of 60.0%, 20.0% and 20.0% respectively) into the Clementi Mall Call Option Agreement (as defined in the Circular);
- (b) the sale of a 99-year leasehold interest in The Clementi Mall located at 3155 Commonwealth Avenue West, Singapore 129588, commencing on 31 August 2010 (“**Clementi Mall**”) to the REIT Trustee (together with the sale of the Paragon Property, the “**Proposed Transfers**”) at a consideration of S\$570.5 million, on the terms and conditions set out in the sale and purchase agreement to be entered into between CM Domain (as vendor), the REIT Trustee (as purchaser) and Times Properties Private Limited (as guarantor for the vendor’s obligations) in relation to the sale of Clementi Mall (the “**Clementi Mall Sale Agreement**” and together with the Paragon Sale Agreement, the “**Sale and Purchase Agreements**”);

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (c) the entry by CM Domain and Times Properties Private Limited into the Clementi Mall Sale Agreement; and
- (d) the entry by CM Domain into the Deed of Income Support (as defined in the Circular);
- (3) approval be and is hereby given for the payment of all fees and expenses relating to the Proposed Transfers;
- (4) approval be and is hereby given for (a) the entry by the Company into the SPHL ROFR (as defined in the Circular) and (b) the entry by SPH REIT Management Pte. Ltd. (an indirect wholly-owned subsidiary of the Company) into the trust deed constituting SPH REIT (“**Trust Deed**”);
- (5) approval be and is hereby given for the entry into all agreements and transactions by the Company (whether directly or indirectly through its subsidiaries) in connection with the establishment of SPH REIT and the Proposed Transfers (including but not limited to the Call Option Agreements, the Sale and Purchase Agreements, the Deed of Income Support, the SPHL ROFR and the Trust Deed) and all ancillary agreements contemplated thereby or incidental thereto, or which are necessary to give effect to the establishment of SPH REIT or the Proposed Transfers; and
- (6) the Company and any director of the Company be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the establishment of SPH REIT and the Proposed Transfers.

### ORDINARY RESOLUTION

#### 2. THE PROPOSED SPECIAL DIVIDEND

That subject to and contingent upon the passing of Resolution 1:

- (1) a special one-tier tax-exempt dividend of S\$0.18 per share in the Company (“**Share**”) be declared and distributed to Shareholders after the Proposed Transfers are completed, subject to the terms and in the manner described in the Circular; and
- (2) the Company and any director of the Company be and are hereby severally authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, desirable or expedient to give effect to this resolution as they may deem fit.

By Order of the Board

Ginney Lim May Ling  
Khor Siew Kim  
Company Secretaries

Singapore  
27 May 2013

# proxy form

## SINGAPORE PRESS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Co Registration No. 198402868E)

### IMPORTANT:

1. For investors who have used their CPF monies to buy shares of Singapore Press Holdings Limited, this Circular is forwarded to them FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to their CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

### EXTRAORDINARY GENERAL MEETING

I/We \_\_\_\_\_ (Name), \_\_\_\_\_ (NRIC/Passport No.),  
of \_\_\_\_\_ (Address)  
being a member/members of Singapore Press Holdings Limited (the "Company"), hereby appoint the Chairman of the Meeting, or:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Ordinary Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Ordinary Shares	%
Address			

as my/our proxy/proxies to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Extraordinary General Meeting ("EGM") of the Company to be held at the Auditorium, 1000 Toa Payoh North, News Centre, 1st Storey, Annexe Block, Singapore 318994 on 18 June 2013 at 9.30 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions as set out in the Notice of EGM. 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/their discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote "For" or "Against" with an "X" within the box provided. Alternatively, please indicate the number of votes in the event of a poll, as appropriate.)

No.	Ordinary Resolution	To be used on a Show of Hands		To be used in the event of a Poll	
		For	Against	No. of votes	No. of votes
				For	Against
1.	To approve the proposed establishment of SPH REIT and the injection of the Paragon Property and Clementi Mall into SPH REIT				
2.	To approve the proposed special dividend (Conditional upon Resolution 1 being passed)				

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Total number of Ordinary Shares held	
Total number of Management Shares held	

Signature(s) of Member(s)/Common Seal

**IMPORTANT: PLEASE READ NOTES ON THE REVERSE**



1<sup>st</sup> fold here

**IMPORTANT:**

**Notes to Proxy Form**

1. Please insert the total number of ordinary shares and/or management shares (“**Shares**”) held by you. If you have ordinary shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of ordinary shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have ordinary shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. If any proxy other than the Chairman of the Meeting is to be appointed, please strike out the words “the Chairman of the Meeting” and insert the name and address of the proxy desired in the box provided. If the box is left blank or incomplete, the Chairman of the Meeting shall be deemed to be appointed as your proxy.
3. A Member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him.
4. Where a Member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.

2<sup>nd</sup> fold here

Affix  
Postage  
Stamp

Singapore Press Holdings Limited  
c/o Tricor Barbinder Share Registration Services  
80 Robinson Road, #02-00  
Singapore 068898

3<sup>rd</sup> fold here

5. The instrument appointing a proxy or proxies must be deposited at the Share Registration Office of the Company at Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), 80 Robinson Road, #02-00, Singapore 068898, not less than 48 hours before the time appointed for the Extraordinary General Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
7. A corporation which is a Member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of ordinary shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the Member, being an appointor, is not shown to have ordinary shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting as certified by The Central Depository (Pte) Limited to the Company.

