

CIRCULAR DATED 24 MARCH 2014

THIS CIRCULAR IS ISSUED BY SINGAPORE LAND LIMITED. THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTOR (AS DEFINED HEREIN) AND THE ADVICE OF THE IFA (AS DEFINED HEREIN). THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION AND YOU SHOULD READ IT CAREFULLY.

If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your issued ordinary shares in the capital of Singapore Land Limited, you should immediately forward this Circular to the purchaser or to the bank, stockbroker or agent through whom you effected the sale for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



SINGAPORE LAND LIMITED

(Company Registration No.: 196300170C)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to the

VOLUNTARY UNCONDITIONAL CASH OFFER

by

UNITED OVERSEAS BANK LIMITED

(Company Registration No.: 193500026Z)
(Incorporated in the Republic of Singapore)

for and on behalf of

UIC ENTERPRISE PTE LTD

(Company Registration No.: 198101542D)
(Incorporated in the Republic of Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of Singapore Land Limited other than those Shares (as defined herein) held, directly or indirectly, by United Industrial Corporation Limited and its subsidiaries (including UIC Enterprise Pte Ltd) as at the date of the Offer (as defined herein)

Independent Financial Adviser to the Independent Director



AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED, SINGAPORE BRANCH

(Australian Company No.: 005357522)
(Incorporated in Australia)

SHAREHOLDERS SHOULD NOTE THAT THE OFFER DOCUMENT (AS DEFINED HEREIN) STATES THAT THE OFFER WILL CLOSE AT 5.30 P.M. (SINGAPORE TIME) ON 7 APRIL 2014 OR SUCH LATER DATE(S), IF ANY, AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE OFFEROR (AS DEFINED HEREIN).

ACCORDINGLY, SHAREHOLDERS WHO WISH TO ACCEPT THE OFFER MUST DO SO BY SUCH TIME AND DATE.

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

“ACRA”	:	The Accounting and Corporate Regulatory Authority of Singapore
“ANZ” or “IFA”	:	Australia and New Zealand Banking Group Limited, Singapore Branch, being the independent financial adviser to the Independent Director in connection with the Offer
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 24 March 2014 in relation to the Offer
“Closing Date”	:	7 April 2014 (subject to Rule 22.6 of the Code as described in paragraph 2.5 of the Offer Document), or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last day for the lodgement of acceptances for the Offer
“Code”	:	The Singapore Code on Take-overs and Mergers
“Companies Act”	:	The Companies Act (Chapter 50 of Singapore)
“Company” or “SLL”	:	Singapore Land Limited
“CPFIS Investors”	:	Investors who have purchased Shares using their Central Provident Fund contributions pursuant to the Central Provident Fund Investment Scheme
“Directors”	:	The directors of the Company (including the Independent Director) as at the Latest Practicable Date
“Encumbrance”	:	Has the meaning ascribed to it in Section 2.4 of this Circular
“FAA”	:	Form of Acceptance and Authorisation which forms part of the Offer Document and which is issued to Shareholders whose Shares are deposited with CDP
“FAT”	:	Form of Acceptance and Transfer for Offer Shares which forms part of the Offer Document and which is issued to Shareholders whose Shares are not deposited with CDP
“FY”	:	Financial year ended or ending (as the case may be) 31 December of a particular year as stated
“FY2013 Dividend”	:	Has the meaning ascribed to it in Section 2.5 of this Circular
“Group”	:	The Company and its subsidiaries
“IFA Letter”	:	Has the meaning ascribed to it in Section 6.1 of this Circular

“Independent Director”	:	The Director who is considered to be independent for the purpose of making recommendations to the Shareholders in respect of the Offer, namely Roberto R. Romulo
“Last Trading Day”	:	19 February 2014, being the last full Market Day prior to the Offer Announcement on which the Shares were traded
“Latest Practicable Date”	:	14 March 2014, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the Main Board of the SGX-ST in force as at the Latest Practicable Date
“Market Day”	:	A day on which the SGX-ST is open for trading of securities
“Offer”	:	The voluntary unconditional cash offer by UOB, for and on behalf of the Offeror, to acquire all the Offer Shares on the terms and subject to the conditions set out in the Offer Document, the FAA and the FAT
“Offer Announcement”	:	Announcement issued by UOB on the Offer Announcement Date, for and on behalf of the Offeror, in relation to the Offer
“Offer Announcement Date”	:	24 February 2014
“Offer Document”	:	The document (including the FAA and the FAT) dated 10 March 2014 issued by UOB, for and on behalf of the Offeror, in respect of the Offer, and any other document(s) which may be issued for and on behalf of the Offeror to amend, revise, supplement or update the document(s) from time to time
“Offer Price”	:	S\$9.40 in cash for each Offer Share
“Offer Shares”	:	The Shares other than those Shares held, directly or indirectly, by UIC and its subsidiaries (including the Offeror) as at the date of the Offer
“Offeror”	:	UIC Enterprise Pte Ltd, a wholly-owned subsidiary of UIC
“Offeror Shares”	:	Issued and paid-up ordinary shares in the capital of the Offeror
“Overseas Shareholders”	:	The Shareholders whose addresses are outside Singapore as shown on the register of members of the Company or, as the case may be, in the records of CDP
“Record Date”	:	Has the meaning ascribed to it in Section 2.5 of this Circular
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Holders of Shares (including persons whose Shares are deposited with CDP or who have purchased Shares on the SGX-ST)

“Shares”	:	Issued and paid-up ordinary shares in the capital of the Company
“Share Registrar”	:	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)
“SIC”	:	Securities Industry Council of Singapore
“UIC”	:	United Industrial Corporation Limited
“UIC Group”	:	UIC and its subsidiaries
“UOB”	:	United Overseas Bank Limited, being the financial adviser to the Offeror in connection with the Offer
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“per cent.” or “%”	:	Per centum or percentage

Acting in Concert, Associated Company. Unless otherwise defined, the expressions **“acting in concert”** and **“associates”** shall have the meanings ascribed to them respectively in the Code.

Depositors and Depository Register. The terms **“depositor”** and **“depository register”** shall have the meanings ascribed to them respectively in the Companies Act.

Genders. 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 and *vice versa*. References to persons shall, where applicable, include corporations.

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

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

Shareholders. References to **“you”**, **“your”** and **“yours”** in this Circular are, as the context so determines, to Shareholders (including persons whose Offer Shares are deposited with CDP or who have purchased Offer Shares on the SGX-ST).

Shares in the Capital of the Company. In this Circular, the total number of Shares is 412,477,559 as at the Latest Practicable Date.

Subsidiary. The expression **“subsidiary”** shall have the meaning ascribed to it in the Companies Act.

Statutes. 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, the Code, the Listing Manual or any statutory modification thereof and not otherwise defined in the Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, the Code, the Listing Manual or any statutory modification thereof, as the case may be, unless the context otherwise requires.

Time and Date. Any reference to a time of day and date in this Circular is made by reference to Singapore time and date respectively unless otherwise stated.

SINGAPORE LAND LIMITED

(Company Registration No.: 196300170C)
(Incorporated in the Republic of Singapore)

Directors:

Wee Cho Yaw
John Gokongwei, Jr.
Lim Hock San
James L. Go
Lance Yu Gokongwei
Gwee Lian Kheng
Hwang Soo Jin
Roberto R. Romulo
Wee Ee Lim
Yang Soo Suan
Yeo Khirn Hai Alvin

Registered Office:

24 Raffles Place
#22-01/06 Clifford Centre
Singapore 048621

24 March 2014

To: The Shareholders of Singapore Land Limited

Dear Sir / Madam

VOLUNTARY UNCONDITIONAL CASH OFFER BY UOB, FOR AND ON BEHALF OF THE OFFEROR, A WHOLLY-OWNED SUBSIDIARY OF UIC, FOR THE OFFER SHARES

1. INTRODUCTION

- 1.1 Offer Announcement.** On 24 February 2014, UOB announced, for and on behalf of the Offeror, that the Offeror intends to make the Offer for the Offer Shares in accordance with Rule 15 of the Code.
- 1.2 Offer Document.** Shareholders should by now have received a copy of the Offer Document issued by UOB, for and on behalf of the Offeror setting out, *inter alia*, the terms and conditions of the Offer. The principal terms and conditions of the Offer are set out on pages 6 to 8 of the Offer Document. Shareholders are advised to read the terms and conditions contained therein carefully.
- 1.3 Circular.** The purpose of this Circular is to provide Shareholders with relevant information pertaining to the Company and to set out the recommendation of the Independent Director and the advice of the IFA to the Independent Director with regard to the Offer.

2. THE OFFER

- 2.1 Offer Price.** As set out in the Offer Document, the Offer Price is as follows:

For each Offer Share : S\$9.40 in cash.

- 2.2 Offer Shares.** The Offer will be extended, on the same terms and conditions, to all Offer Shares.

- 2.3 Unconditional Offer.** As set out in paragraph 2.3 of the Offer Document, the Offer will be unconditional in all respects.

2.4 No Encumbrances. The Offer Shares are to be acquired (a) fully paid, (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever ("**Encumbrances**") and (c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, other distributions and return of capital (if any) which may be announced, declared, paid or made thereon by the Company on or after the Offer Announcement Date). If any dividend, other distribution or return of capital is declared, paid or made by the Company on or after the Offer Announcement Date, the Offeror reserves the right to reduce the Offer Price by the amount of such dividend, distribution or return of capital paid or made by the Company to Shareholders who accepts or has accepted the Offer.

2.5 FY2013 Dividend. Without prejudice to the generality of the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive the first and final tax-exempt (one-tier) dividend of 20.0 cents per Share for FY2013 proposed by the Directors on 21 February 2014 (the "**FY2013 Dividend**") if the FY2013 Dividend is approved by the Shareholders.

Accordingly, the following will apply if the FY2013 Dividend is approved by the Shareholders:

- (i) if the settlement date in respect of the Offer Shares accepted pursuant to the Offer falls on or before the record date of the determination of entitlements to the FY2013 Dividend (the "**Record Date**"), the Offeror will pay the relevant accepting Shareholders the Offer Price for each Offer Share as the Offeror will receive the FY2013 Dividend in respect of those Offer Shares from the Company; and
- (ii) if the settlement date in respect of the Offer Shares accepted pursuant to the Offer falls after the Record Date, the FY2013 Dividend will be deducted from the Offer Price payable for such Offer Shares as the Offeror will not receive the FY2013 Dividend in respect of those Offer Shares of the Company.

The Company has announced that the share transfer books and register of members of the Company will be closed on 9 May 2014 for the preparation of the dividend warrants.

2.6 Details of the Offer. Further details of the Offer are set out in pages 7 to 8 and Appendices V and VI to the Offer Document in relation to (a) the duration of the Offer, (b) the settlement of the consideration for the Offer, (c) the requirements relating to the announcement of the level of acceptances of the Offer, (d) the right of withdrawal of acceptances and (e) the procedures for acceptance of the Offer.

A copy of each of the Offer Announcement and the Offer Document is available on the website of the SGX-ST at www.sgx.com.

2.7 Closing Date. Shareholders should note that the Offer will close at 5.30 p.m. (Singapore time) on 7 April 2014 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

3. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS RELATING TO THE COMPANY

The full text of the rationale for the Offer and the Offeror's intentions relating to the Company have been extracted from the Offer Document and set out in italics below. Unless otherwise defined, all terms and expressions used in the extract below and in the extracts in **Sections 4, 8 and 9** below shall have the same meanings as those defined in the Offer Document. **Shareholders are advised to read the extract below carefully.**

“5. RATIONALE FOR THE OFFER AND INTENTIONS IN RELATION TO THE COMPANY”

5.1 Generally Low Trading Liquidity of Shares and Opportunity to Realise Investments with an Upfront Premium

The trading volume of the Shares has been low. The average daily trading volume of the Shares was approximately 40,000 Shares, 36,000 Shares and 63,000 Shares during the one (1)-month period, six (6)-month period and 12-month period up to and including the Last Trading Day. This represents only approximately 0.01%, 0.01% and 0.02% of the total number of issued Shares respectively. Hence, the Offer represents a unique cash exit opportunity for the Shareholders to realise their entire investment at a premium over the market prices of the Shares up to and including the Last Trading Day as stated in paragraph 6 below, an option which may not otherwise be readily available due to the low trading liquidity of the Shares, without incurring brokerage and other trading costs.

5.2 Greater Management Flexibility

As noted in paragraph 7 below, the Offeror is making the Offer with a view to delisting the Company from the SGX-ST and exercising any rights of compulsory acquisition that may arise under Section 215(1) of the Companies Act. UIC believes that privatising the Company will give the UIC Group and the management of the Company more flexibility to manage the business of the Group and optimise the use of its management and capital resources.

5.3 Compliance Costs of Maintaining Listing

In maintaining its listed status, the Company incurs compliance and associated costs. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses relating to the maintenance of a listed status and focus its resources on its business operations.

5.4 Intentions in relation to the Company

Following the close of the Offer, assuming that the Company is successfully privatised, the UIC Group will have greater management flexibility to review the operations, management and financial position of the Group, and to evaluate various options or opportunities which may present themselves which it regards to be in the interests of the UIC Group and/or the Group.

Save as disclosed above, the Offeror does not currently have any intention to make major changes to (a) the business of the Group; (b) the deployment of the fixed assets of the Group; or (c) the employment of the employees of the Group, other than in the ordinary course of business.”

4. LISTING STATUS AND COMPULSORY ACQUISITION

The Offer Document also sets out the intentions of the Offeror relating to the listing status of the Company and compulsory acquisition, the full text of which has been extracted from the Offer Document and set out in italics below:

“7. LISTING STATUS AND COMPULSORY ACQUISITION

7.1 Listing Status

Pursuant to Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that brings the holdings owned by the Offeror and parties acting in concert with it to above 90% of the total number of issued Shares (excluding any Shares held by the Company as treasury shares), the SGX-ST may suspend the trading of the Shares in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of issued Shares (excluding any Shares held by the Company as treasury shares) are held by at least 500 Shareholders who are members of the public.

Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding any Shares held by the Company as treasury shares), thus causing the percentage of the total number of issued Shares (excluding any Shares held by the Company as treasury shares) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

Under Rule 724(1) of the Listing Manual, if the percentage of the Shares held in public hands falls below 10%, the Company must, as soon as possible, announce that fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of the Shares held in public hands to at least 10%, failing which the Company may be delisted³.

³The term “**public**” is defined in the Listing Manual as persons other than (a) directors, chief executive officer, substantial shareholders, or controlling shareholders of the issuer or its subsidiary companies, and (b) associates of the persons set out in (a). As at the Latest Practicable Date, based on information available to the Offeror, approximately 11.35% of the total number of issued Shares are held by members of the public.

7.2 Compulsory Acquisition

*Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held by the Company as treasury shares) (“**Section 215(1) Threshold**”), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares from Shareholders who have not accepted the Offer at a price equal to the Offer Price.*

*In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with the Shares held by it, its related corporations and their respective nominees, comprise 90% or more of the total number of issued Shares (“**Section 215(3) Threshold**”), the Shareholders who have not*

accepted the Offer have a right to require the Offeror to acquire their Shares at the Offer Price. Such Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

7.3 Offeror's Intentions in respect of the Listing Status of the Company

The Offeror would like to highlight that:

- (a) **the Offeror does not intend to preserve the listing status of the Company. Accordingly, the Offeror, when entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act;**
- (b) *in the event that the Offeror receives sufficient valid acceptances in respect of the Offer which results in less than 10% of the total number of issued Shares (excluding any Shares held by the Company as treasury shares) to be held in public hands, the **SGX-ST may suspend trading in the Shares;***
- (c) *based on publicly available information as at the Latest Practicable Date, Silchester International Investors LLP ("**Silchester**") is deemed to be interested in 33,650,000 Shares, representing approximately 8.16% of the total number of issued Shares. Silchester is therefore a substantial shareholder of the Company, but it is neither a member of the UIC Group nor a party acting in concert with the Offeror. Accordingly, if at the close of the Offer (i) the UIC Group holds less than 90% of the total number of issued Shares, (ii) Silchester remains a substantial shareholder of the Company, and (iii) there is less than 10% of the total number of issued Shares held in public hands, neither the Section 215(1) Threshold nor the Section 215(3) Threshold would have been met, but the **SGX-ST may suspend trading in the Shares;***
- (d) *accordingly, in the event that both the Section 215(1) Threshold and the Section 215(3) Threshold are not met, and the SGX-ST suspends trading in the Shares:*
 - (i) **the Offeror will not be entitled to exercise its right of compulsory acquisition** under Section 215(1) of the Companies Act;
 - (ii) **Shareholders who have not accepted the Offer will not be entitled to exercise their right under Section 215(3) of the Companies Act** to require the Offeror to acquire their Shares; and
 - (iii) **Shareholders who have not accepted the Offer will not be able to trade their Shares until trading suspension of the Shares by the SGX-ST is lifted. In this regard, it should be noted that the Offeror does not intend to take any steps to restore the public float in order to lift any trading suspension of the Shares by the SGX-ST in the event that, inter alia, less than 10% of the total number of issued Shares (excluding any Shares held by the Company as treasury shares) are held in public hands; and**
- (e) *in addition, the Offeror also reserves the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual in the event that the Section 215(1) Threshold is not met and the Company remains listed after the close of the Offer."*

5. EXEMPTION RELATING TO THE RECOMMENDATION OF DIRECTORS

5.1 SIC. In its letter dated 7 March 2014, the SIC ruled that the following Directors, namely Wee Cho Yaw, John Gokongwei, Jr., Lim Hock San, James L. Go, Lance Yu Gokongwei, Gwee Lian Kheng, Hwang Soo Jin, Wee Ee Lim, Yang Soo Suan and Yeo Khirn Hai Alvin are not considered independent for the purposes of the Offer under Rule 8.3 of the Code as they face irreconcilable conflicts of interests:

- (i) Wee Cho Yaw is a Non-Executive Director and Chairman of UIC, the parent company of the Offeror;
- (ii) John Gokongwei, Jr. is a Non-Executive Director and Deputy Chairman of UIC;
- (iii) Lim Hock San is an Executive Director and President and Chief Executive Officer of UIC;
- (iv) James L. Go is a Non-Executive Director of UIC;
- (v) Lance Yu Gokongwei is a Non-Executive Director of UIC;
- (vi) Gwee Lian Kheng is a Non-Executive Director of UIC;
- (vii) Hwang Soo Jin is a Non-Executive and Independent Director of UIC;
- (viii) Wee Ee Lim is a Non-Executive Director of UIC;
- (ix) Yang Soo Suan is a Non-Executive and Independent Director of UIC; and
- (x) Yeo Khirn Hai Alvin is a Non-Executive and Independent Director of UIC.

5.2 Scope of Responsibility. In light of their appointments on the board of UIC as set out in **Section 5.1** above and the potential conflicts of interests arising therefrom, Wee Cho Yaw, John Gokongwei, Jr., Lim Hock San, James L. Go, Lance Yu Gokongwei, Gwee Lian Kheng, Hwang Soo Jin, Wee Ee Lim, Yang Soo Suan and Yeo Khirn Hai Alvin have been exempted by the SIC from the requirement to make a recommendation to the Shareholders on the Offer. However, they remain responsible for the accuracy of the facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Offer.

6. ADVICE OF THE IFA

6.1 IFA. ANZ has been appointed as the independent financial adviser to advise the Independent Director in respect of the Offer. Shareholders should consider carefully the recommendation of the Independent Director and the advice of ANZ to the Independent Director before deciding whether to accept or reject the Offer. ANZ's advice is set out in its letter dated 18 March 2014, which is set out in pages 16 to 42 of this Circular (the **"IFA Letter"**).

6.2 Factors Taken into Consideration by ANZ. In arriving at its recommendation, ANZ has taken into consideration certain factors (an extract of which is set out below). Shareholders should read the following extract in conjunction with, and in the context of, the full text of the IFA Letter.

“8. RECOMMENDATION

In arriving at our opinion, we have taken into consideration, amongst other things, the following factors:

- (i) the Offeror currently holds 80.36% (80.46% including Shares held by parties acting in concert) of the total number of issued Shares and is in a position to exert significant control including passing of ordinary resolutions and reducing dividends, furthermore no change of control would occur as a result of the Offer and so no change of control premium is applicable;*
- (ii) as informed by the Directors, the Company has not received any competing offer or an enhancement or revision of the Offer and there is no publicly available evidence of an Alternative Offer for the Shares from any third party as at the Latest Practicable Date. In the event of an alternative or competing offer, we note that unless the Offeror accepts such alternative or competing offer, any offer made by any third parties would not be capable of becoming unconditional;*
- (iii) the Shares have low trading liquidity, with an average daily trading volume of the Shares of approximately 63,000 Shares over the 12 month period prior to the Offer Announcement Date and the Offer therefore provides an opportunity for Shareholders to cash out at a premium to market prices without incurring trading commission and other costs;*
- (iv) the Offer Price of S\$9.40 per share is above the range that the Shares have traded over the 12-month period prior to the Offer Announcement Date. The Offer Price represents a 22.56% premium over the lowest closing price of S\$7.67 during this period and a 1.08% premium over the highest closing price of S\$9.30 during this period;*
- (v) the Shares have traded at a modest premium to the Offer Price subsequent to the Offer Announcement Date and the last traded price of the Shares on the Latest Practicable Date was S\$9.49 per share, a premium of 0.96% above the Offer Price;*
- (vi) the Offer Price represents a premium of 7.85%, 10.97%, 13.87% and 16.92% over the 12-month, 6-month, 3-month and 1-month VWAP of the Shares respectively;*
- (vii) the market price of the Shares outperformed the STI Index and the Comparable Companies Index for the 1-year period preceding the Offer Announcement Date;*
- (viii) The Offer Price of S\$9.40 represents a discount of 28.1% to the NTA per Share on a carrying value basis (a discount of 33.1% including the fair market value of the Hotel Properties);*
- (ix) the Company's share price has consistently traded at a discount to the trailing NTA per Share over the 2-year period up to the Offer Announcement Date;*
- (x) the historical discount to prevailing NTA over the 2-year period up to the Offer Announcement Date has ranged from 25.1% to 54.8%; the Offer Price discount to prevailing NTA per Share of 28.1% is close to the narrowest discount to NTA per Share at which the company has traded at any time over the 2-year period up to the Offer Announcement Date; it is possible that a smaller discount to NTA per Share of the Company may be realised by Shareholders who choose to retain their Shares and seek an exit in the future, although there is no assurance of this and it is subject to the risks outlined in this letter;*

- (xi) *the P/NTA of the Company implied by the Offer Price is within the range of the P/NTA ratios of the Comparable Companies and is higher than the mean and median;*
- (xii) *the EV/EBITDA and P/E of the Company implied by the Offer Price are higher than the top end of the range of the EV/EBITDA and P/E multiples of the Comparable Companies;*
- (xiii) *the market price premia implied by the Offer Price is within the range of the premia of the Successful Delisting Offers and Privatisation Transactions but below the mean and median of each metric;*
- (xiv) *the ordinary dividend yield of the Company of 2.2% for FY2012 lies within the range of the ordinary dividend yields of the Comparable Companies and is below the mean and the median ordinary dividend yields;*
- (xv) *if the Offeror succeeds in garnering acceptances such that less than 10% of the total number of issued Shares remain in public hands, the SGX-ST will suspend trading of the Shares – those shareholders who did not accept the Offer would be unable to sell shares on the SGX-ST; and*
- (xvi) *the Offeror intends to delist the Company from the SGX-ST and, when entitled, to exercise its right under Section 215(1) of the Companies Act to compulsorily acquire, at the Offer Price, all the Shares held by Shareholders who have not accepted the Offer.”*

6.3 Advice of ANZ. After having regard to the considerations set out in the IFA Letter, and based on the circumstances of the Company and the information as at the Latest Practicable Date, ANZ has made certain recommendations to the Independent Director, an extract of which is set out below. Shareholders should read the extract in conjunction with, and in the context of, the full text of the IFA Letter.

“Based on the considerations set out in this letter and the information available to us as at the Latest Practicable Date, we are of the opinion that the financial terms of the Offer are fair and reasonable and not prejudicial to the interests of the Shareholders in the context of an offer involving no change in control of the Company. We recommend that the Independent Director should advise the Shareholders either to ACCEPT the Offer or to consider selling their Shares in the open market if they can obtain a price higher than the Offer Price (after taking into account all brokerage commissions or transaction costs in connection with open market transactions) by doing so. Shareholders should note that according to the provisions of the Code, the Offeror remains entitled to increase the Offer Price and if Shareholders choose to sell their Shares in the open market they would not have the potential to benefit from any increase in the Offer Price. We are not aware of any indication that the Offeror will increase the Offer Price.”

7. RECOMMENDATION OF THE INDEPENDENT DIRECTOR

7.1 Recommendation. The Independent Director, having considered carefully the terms of the Offer and the advice given by ANZ in the IFA Letter, concurs with the recommendation of ANZ in respect of the Offer, and accordingly, recommends that Shareholders either accept the Offer or consider selling their Shares in the open market if they can obtain a price higher than the Offer Price (after taking into account all brokerage commissions or transaction costs in connection with open market transactions) by doing so. Shareholders should note that according to the provisions of the Code, the Offeror remains entitled to increase the Offer

Price and if Shareholders choose to sell their Shares in the open market they would not have the potential to benefit from any increase in the Offer Price. The Independent Director is not aware of any indication that the Offeror will increase the Offer Price.

SHAREHOLDERS ARE ADVISED TO READ THE IFA LETTER SET OUT ON PAGES 16 TO 42 OF THIS CIRCULAR CAREFULLY.

- 7.2 No Regard to Specific Objectives.** In making his recommendation, the Independent Director has not had regard to the specific objectives, financial situation, tax status, risk profiles or unique needs and constraints of any individual Shareholder. Accordingly, the Independent Director recommends that any individual Shareholder who may require advice in the context of his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

8. OVERSEAS SHAREHOLDERS

- 8.1 Overseas Shareholders.** The Offer Document sets out certain information in relation to Overseas Shareholders, the full text of which has been extracted from the Offer Document and set out in italics below:

“9. OVERSEAS SHAREHOLDERS

*The availability of the Offer to Shareholders whose addresses are outside Singapore, as shown on the register of members of the Company or, as the case may be, in the records of CDP (each, an **“Overseas Shareholder”**) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, any Overseas Shareholder should inform himself about and observe any applicable legal requirements, and exercise caution in relation to the Offer, as this Offer Document, the FAAs and the FATs have not been reviewed by any regulatory authority in any overseas jurisdiction. **Where there are potential restrictions on sending this Offer Document, the FAAs and/or the FATs to any overseas jurisdiction, the Offeror, UOB and CDP each reserves the right not to send these documents to Shareholders in such overseas jurisdictions. For the avoidance of doubt, the Offer is open to all Shareholders, including those to whom this Offer Document, the FAAs and/or the FATs have not been, or may not be, sent.***

*Copies of this Offer Document and any other formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law of that jurisdiction (a **“Restricted Jurisdiction”**) and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.*

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction, and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

Overseas Shareholders may, nonetheless, obtain copies of this Offer Document, the FAAs and/or the FATs and any related documents, during normal business hours and up to the Closing Date, from the Offeror through its receiving agent, Tricor Barbinder Share

Registration Services at its office located at 80 Robinson Road #02-00, Singapore 068898. Alternatively, an Overseas Shareholder may write to the Offeror through Tricor Barbinder Share Registration Services at the address listed above to request for this Offer Document, the FAAs and/or the FATs and any related documents to be sent to an address in Singapore by ordinary post at the Overseas Shareholder's own risk, up to three (3) Market Days prior to the Closing Date.

*It is the responsibility of any Overseas Shareholder who wishes to (a) request for this Offer Document, the FAAs and/or the FATs and/or any related documents, or (b) accept the Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on its behalf (including UOB) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on its behalf (including UOB) may be required to pay. In (i) requesting for this Offer Document, the FAAs and/or the FATs and any related documents and/or (ii) accepting the Offer, the Overseas Shareholder represents and warrants to the Offeror and UOB that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. **Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.***

The Offeror and UOB each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Overseas Shareholders by announcement to the SGX-ST and if necessary, paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement."

9. INFORMATION PERTAINING TO CPFIS INVESTORS

The Offer Document sets out information pertaining to CPFIS Investors in paragraph 11 of the Offer Document, the full text of which has been extracted from the Offer Document and set out in italics below:

"11. GENERAL

CPFIS Investors will receive further information on how to accept the Offer from the CPF Agent Banks directly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice. CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks. CPFIS Investors who accept the Offer will receive the Offer Price payable in respect of their Offer Shares in their CPF investment accounts."

10. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who wish to accept the Offer must do so not later than 5.30 p.m. (Singapore time) on 7 April 2014 or such later date(s) as may be announced from time to time by or on behalf of the Offeror, abiding by the procedures for the acceptance of the Offer as set out in Appendix VI to the Offer Document, the FAA and/or the FAT.

Acceptances should be completed and returned as soon as possible and, in any event, so as to be received, on behalf of the Offeror, by CDP (in respect of the FAA) or the share registrar of the Company (in respect of the FAT), as the case may be, not later than 5.30 p.m. (Singapore time) on 7 April 2014 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

The Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document, the FAA and/or the FAT which have been sent to them.

11. RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of this Circular) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Circular are fair and accurate and that no material facts have been omitted from this Circular, and the Directors jointly and severally accept full responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Document), the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Circular.

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

Yours faithfully
For and on behalf of
the Board of Directors

Wee Cho Yaw
Non-Executive Chairman

LETTER FROM THE IFA TO THE INDEPENDENT DIRECTOR
AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED,
SINGAPORE BRANCH

(Incorporated in Australia)
Australian Company Number: 005357522

18 March 2014

To: The Independent Director
Singapore Land Limited
24 Raffles Place No. 22-01/06, Clifford Centre
Singapore 048621

Dear Sir,

OFFER BY UNITED OVERSEAS BANK LIMITED (“UOB”) FOR AND ON BEHALF OF UIC ENTERPRISE PTE LTD (THE “OFFEROR”) TO ACQUIRE ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF SINGAPORE LAND LIMITED (THE “COMPANY”) OTHER THAN THOSE ALREADY HELD DIRECTLY OR INDIRECTLY BY THE OFFEROR

For the purpose of this letter, capitalised terms not otherwise defined shall have the same meaning given to them in the circular dated 24 March 2014, circulated to the shareholders of the Company (the “Circular”) and the offer document issued by the Offeror to the Company’s shareholders dated 10 March 2014 (the “Offer Document”) in relation to the Offer.

1. INTRODUCTION

On 24 February 2014, the Offeror and the Company announced (the “**Offer Announcement Date**”) that the Offeror intends to make a voluntary unconditional cash offer to acquire all the issued Shares (excluding treasury shares), other than the 80.36% of the total number of issued Shares already owned by the Offeror (the “**Offer**”).

Australia and New Zealand Banking Group Limited, Singapore Branch (“**ANZ**”) has been appointed by the Company as the independent financial adviser (the “**IFA**”) to the Director who is considered independent (the “**Independent Director**”) for the purpose of making a recommendation to the shareholders of the Company (the “**Shareholders**”) in respect of the Offer.

This letter sets out, inter alia, our evaluation of the financial terms of the Offer and our advice thereon. It forms part of the Circular to Shareholders dated 24 March 2014 issued by the Company providing, inter alia, details of the Offer and the recommendations of the Independent Director in respect thereof.

2. TERMS OF REFERENCE

ANZ has been appointed to advise the Independent Director on the financial terms of the Offer in compliance with the Singapore Code on Takeovers and Mergers (the “**Code**”). We make no representations or warranties in relation to the merits of the Offer other than to form an opinion for the purposes of Rules 7.1 and 24.1(b) of the Code. We have limited our evaluation to the financial terms of the Offer and have not taken into account the commercial risks or commercial merits of the Offer. Our terms of reference do not require us to evaluate or comment on the strategic or long-term commercial merits of the Offer or on the prospects of the Group (i.e. the Company, its subsidiaries and associated companies) or any of its respective related companies (as defined in the Companies Act). Such evaluations or

comments remain the responsibility of the Directors and management of the Company. However, we have drawn upon the views of the Directors and management of the Company in arriving at our views. We were also not requested or authorised to solicit any indications of interest from any third party with respect to the Offer (an “**Alternative Offer**”). We are not addressing the relative merits of the Offer as compared to any alternative transaction previously considered by the Company (or the Shareholders), or that otherwise may become available to the Company (or the Shareholders) in the future, or as compared to any Alternative Offer that might otherwise be available.

We have held discussions with certain Directors and the management of the Company and have examined information provided by the Directors and the management of the Company and other publicly available information collated by us, upon which our view is based. We have not independently verified such information, whether written or verbal, and accordingly cannot and do not make any representation or warranty in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. We have nevertheless made enquiries and used our judgement as we deemed necessary or appropriate in assessing such information and are not aware of any reason to doubt the reliability of the information.

We have relied upon the assurances of the Directors (including those who may have delegated detailed supervision of the Circular) that they have taken all reasonable care to ensure that the facts stated and all opinions expressed in the Circular are true, complete, fair and accurate in all material aspects and that, to the best of their knowledge and belief, no material facts have been omitted from the Circular, such omission of which would make any statement in the Circular misleading.

We have relied upon valuation reports provided by independent professional valuers, including DTZ Debenham Tie Leung (SEA) Pte Ltd and Knight Frank Pte Ltd (collectively, the “**Valuation Reports**”) and a copy of each of the Valuation Reports is reproduced in Appendix 5 to the Circular. With respect to such Valuation Reports, we are not experts in the evaluation or appraisal of the assets concerned and we have placed sole reliance on these Valuation Reports for such asset appraisal and have not made any independent verification of the contents thereof in respect of the assets held by the Group and its subsidiaries nor have we evaluated the solvency of the Group under any applicable laws relating to bankruptcy, insolvency or similar matters. We have not made an independent evaluation or appraisal of the assets and liabilities of the Group and we have not been furnished with any such evaluation or appraisal, except for the Valuation Reports as stated above.

Accordingly, no representation or warranty, express or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of all such information, provided or otherwise made available to us or relied on by us as described above.

Furthermore, our terms of reference do not require us to express, and we do not express, an opinion on the future growth prospects of the Company, or any of its respective related or associated companies. We are therefore not expressing any opinion herein as to the future financial or other performance of those companies.

Our opinion, as set out in this letter, is based upon the financial, market, economic, industry, monetary, regulatory and other prevailing conditions on, and the information made available to us, as of the Latest Practicable Date. We assume no responsibility to update, revise or reaffirm our opinion in the light of any subsequent development after the Latest Practicable Date that may in any way affect our opinion contained herein. Shareholders of the Company should take note of any announcement relevant to their consideration of the Offer which may be released by or on behalf of the Company or the Offeror after the Latest Practicable Date.

In rendering our advice and giving our recommendation, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder. **As different Shareholders would have different investment objectives and profiles, we would advise the Independent Director to recommend that any individual Shareholder who may require specific advice in relation to his investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers immediately.**

This letter and our opinion are solely for the use and benefit of the Independent Director in connection with and for the purpose of his consideration of the Offer, and the recommendation made by him to the Shareholders shall remain the responsibility of the Independent Director.

The Company has been separately advised by its own professional advisors in the preparation of the Circular (other than this Letter). We have had no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this Letter). Accordingly, we take no responsibility for, and express no views, express or implied, on the contents of the Circular (other than this Letter).

A copy of this Letter will be reproduced in the Circular. However, neither the Company nor the Directors may reproduce, disseminate or quote this Letter (or any part thereof) for any other purposes, other than the intended purpose in relation to the Offer, at any time or in any manner without the prior written consent of ANZ.

Our opinion in relation to the Offer should be considered in the context of the entirety of this Letter and the Circular.

3. THE OFFER

The following has been extracted from paragraph 2 of the Circular and is set out in italics below. **Shareholders are advised to read the relevant section of the Circular, as extracted below, carefully.**

“THE OFFER

Offer Price. As set out in the Offer Document, the Offer Price is as follows:

For each Offer Share : S\$9.40 in cash.

Offer Shares. The Offer will be extended, on the same terms and conditions, to all Offer Shares.

Unconditional Offer. As set out in paragraph 2.3 of the Offer Document, the Offer will be unconditional in all respects.

No Encumbrances. The Offer Shares will be acquired (a) fully paid, (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever (“**Encumbrances**”) and (c) together with all rights, benefits and entitlements attached thereto as at the Offer Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, other distributions and return of capital (if any) which may be announced, declared, paid or made thereon by the Company on or after the Offer Announcement Date). If any dividend, other distribution or return of capital is declared, paid or made by the Company on or after the Offer

Announcement Date, the Offeror reserves the right to reduce the Offer Price by the amount of such dividend, distribution or return of capital paid or made by the Company to Shareholders who accepts or has accepted the Offer.

FY2013 Dividend. Without prejudice to the generality of the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive the first and final tax-exempt (one-tier) dividend of 20.0 cents per Share for FY2013 proposed by the Directors on 21 February 2014 (the “**FY2013 Dividend**”) if the FY2013 Dividend is approved by the Shareholders.

Accordingly, the following will apply if the FY2013 Dividend is approved by the Shareholders:

- (i) if the settlement date in respect of the Offer Shares accepted pursuant to the Offer falls on or before the record date of the determination of entitlements to the FY2013 Dividend (the “**Record Date**”), the Offeror will pay the relevant accepting Shareholders the Offer Price for each Offer Share as the Offeror will receive the FY2013 Dividend in respect of those Offer Shares from the Company; and
- (ii) if the settlement date in respect of the Offer Shares accepted pursuant to the Offer falls after the Record Date, the FY2013 Dividend will be deducted from the Offer Price payable for such Offer Shares as the Offeror will not receive the FY2013 Dividend in respect of those Offer Shares of the Company.

The Company has announced that the share transfer books and register of members of the Company will be closed on 9 May 2014 for the preparation of the dividend warrants.

Details of the Offer. Further details of the Offer are set out in pages 7 to 8 and Appendices V and VI to the Offer Document in relation to (a) the duration of the Offer, (b) the settlement of the consideration for the Offer, (c) the requirements relating to the announcement of the level of acceptances of the Offer, (d) the right of withdrawal of acceptances and (e) the procedures for acceptance of the Offer.

A copy of each of the Offer Announcement and the Offer Document is available on the website of the SGX-ST at www.sgx.com.

Closing Date. Shareholders should note that the Offer will close at 5.30 p.m. (Singapore time) on 7 April 2014 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.”

4. INFORMATION ON THE OFFEROR AND THE PARTIES ACTING IN CONCERT WITH IT

Please refer to Appendix 2 to the Circular for information and further disclosure on the Offeror as well as other parties acting in concert with the Offeror.

5. INFORMATION ON THE COMPANY AND THE GROUP

The Company is incorporated in Singapore and listed on the Mainboard of the SGX-ST. The principal activity of the Company is that of an investment holding company. The principal activities of the Group consist of development of properties for investment and trading, investment holding, property management, and investment in hotels and retail centres.

Additional information on the Company is set out in Appendix 1 to the Circular.

6. RATIONALE FOR THE OFFER AND OFFEROR'S INTENTION RELATING TO THE COMPANY AND THE GROUP

The full text of the rationale for the Offer is set out under paragraph 5 of the Offer Document. The Offeror has stated its intention in relation to the operations and businesses of the Company as well as the employees of the Group in paragraph 5.4 of the Offer Document.

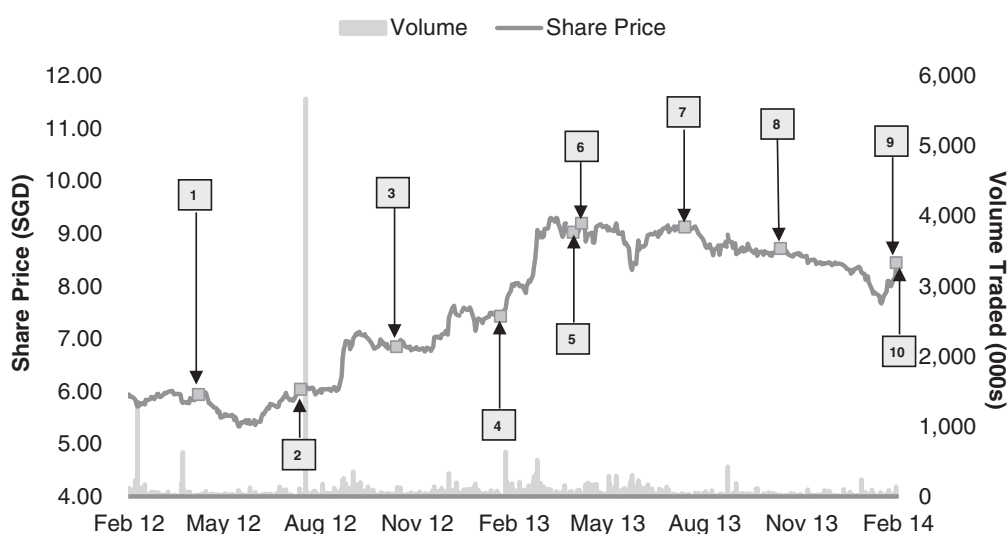
7. FINANCIAL ASSESSMENT OF THE OFFER

In evaluating the terms of the Offer, from a financial point of view, as at the Latest Practicable Date, we have considered the following factors:

- (a) Historical share price performance of the Shares;
- (b) Share price performance relative to the Straits Times Index ("**STI Index**") and an index of broadly comparable listed companies ("**Comparable Companies Index**");
- (c) Net tangible assets ("**NTA**") of the Group relative to the Offer Price;
- (d) Historical NTA per Share of the Group relative to the Offer Price and historical market price of the Shares;
- (e) Valuation multiples of selected Singapore-listed companies which are considered to be broadly comparable to the Company ("**Comparable Companies**") in limited aspects;
- (f) Comparison with precedent successful privatisations and delistings of companies listed on the SGX-ST;
- (g) Dividend yield of the Company relative to the Comparable Companies; and
- (h) Other relevant considerations which have a significant bearing on our assessment.

(A) Historical Share price performance of the Shares

We have compared the Offer Price to the historical price performance of the Shares and considered the historical trading volume of the Shares. We set out below a chart of the closing price of the Shares for the 24 months preceding the day prior to the Offer Announcement Date.



Source: Bloomberg, Company reports.

(1)	27 Apr 2012:	The Company announced its financial results for 1Q 2012. Revenues increased 41% to S\$195.5 million while net profit from operations increased 14% to S\$55.5 million compared to the previous year's corresponding period.
(2)	3 Aug 2012	The Company announced its financial results for 2Q 2012. Revenues declined 40% to S\$104.2 million while net profit from operations declined 23% to S\$42.4 million compared to the previous year's corresponding period.
(3)	2 Nov 2012	The Company announced its financial results for 3Q 2012. Revenues declined 12% to S\$152.5 million while net profit from operations increased 1% to S\$57.0 million compared to the previous year's corresponding period.
(4)	8 Feb 2013	The Company announced its FY2012 financial results. Revenues declined 6% to S\$580.6 million while net profit from operations increased 2% to S\$218.6 million compared to the previous corresponding period. The Company proposed a first and final dividend of S\$0.20 per share for FY2012.
(5)	17 Apr 2013:	Marina Centre Holdings Pte Ltd, a subsidiary of the Company, announced plans for a two-phase re-development plan for Marina Square Shopping Mall. At the time of the announcement, works in phase 1 were already underway and works in phase 2 were expected to span over two years.
(6)	26 Apr 2013:	The Company announced its financial results for 1Q 2013. Revenues declined 41% to S\$114.7 million while net profit from operations declined 11% to S\$56.8 million compared to the previous year's corresponding period. The Company held its annual general meeting ("AGM").
(7)	2 Aug 2013:	The Company announced its financial results for 2Q 2013. Revenues declined 14% to S\$118.8 million while net profit from operations increased 14% to S\$48.3 million compared to the previous year's corresponding period.
(8)	1 Nov 2013:	The Company announced its financial results for 3Q 2013. Revenues declined 28% to S\$110.1 million while net profit from operations declined 13% to S\$49.4 million compared to the previous year's corresponding period.
(9)	20 Feb 2014:	The Company requested a trading halt of its Shares.
(10)	21 Feb 2014:	The Company announced its FY2013 financial results. Revenues declined 22% to S\$454.0 million while net profit from operations declined 9% to S\$197.9 million compared to the previous year's corresponding period. The Company proposed a first and final dividend of S\$0.20 per share for FY2013.

We set out below (i) the premia implied by the Offer Price to the historical volume weighted average transacted price ("**VWAP**") of the Shares; and (ii) the historical trading volume of the Shares for the 1-month period, 6-month period and 12-month period up to and including the last full day of trading in the Shares on the SGX-ST immediately prior to the Offer Announcement Date (the "**Last Trading Day**").

	VWAP ⁽¹⁾ (S\$)	Premium/ (discount) of Offer Price to VWAP (%)	Highest closing price ⁽¹⁾ (S\$)	Lowest closing price ⁽¹⁾ (S\$)	Avg. daily trading volume ⁽²⁾ ('000)	Daily trading volume as a % of free float ⁽³⁾
Period prior to the Offer Announcement Date						
Last 12 months	8.716	7.85	9.300	7.670	63	0.08%
Last 6 months	8.471	10.97	8.980	7.670	36	0.04%
Last 3 months	8.255	13.87	8.620	7.670	35	0.04%
Last 1 month	8.040	16.92	8.450	7.670	40	0.05%
Last closing price on 19 February 2014 (Last Trading Day)	8.450	11.24	8.450	8.450	136	0.17%
After the Offer Announcement Date						
First trading day after the Offer Announcement Date up to the Latest Practicable Date	9.493	(0.98)	9.640	9.440	373	0.46%
Last traded price on the Latest Practicable Date	9.490	(0.95)	n.a.	n.a.	261	0.32%

Source: Bloomberg.

- (1) Share prices were rounded to the nearest three (3) decimal places.
- (2) The average daily trading volume of the Shares is calculated based on the total volume of Shares traded during the period divided by the number of market days traded for the Shares during that period.
- (3) Free float refers to the Shares other than those held by the Offeror, concert parties of the Offeror, directors of UIC and the Offeror and UOB. For the purpose of calculating the average daily trading volume as a percentage of free float for the various periods prior to the Offer Announcement Date, we have used the free float of approximately 80,489,175 Shares (or approximately 19.51% of the Company's issued share capital) as at the Offer Announcement Date.

Based on the above, we note the following:

- (i) trading in the Shares has been illiquid in the 12-month period leading up to the Offer Announcement Date, with an average daily trading volume of the Shares of approximately 63,000 Shares;
- (ii) the Offer Price of S\$9.40 per share is above the range that the Shares have traded over the 12-month period prior to the Offer Announcement Date. The Offer Price represents a 22.56% premium over the lowest closing price of S\$7.67 during this period and a 1.08% premium over the highest closing price of S\$9.30 during this period;
- (iii) the Offer Price represents a premium of 7.85%, 10.97%, 13.87% and 16.92% over the 12-month, 6-month, 3-month and 1-month VWAP of the Shares respectively;
- (iv) the Offer Price represents a premium of 11.24% over the closing price of S\$8.45 of the Shares on the Last Trading Day;
- (v) from the first trading day after the Offer Announcement Date up to the Latest Practicable date, the Shares have an average daily trading volume of approximately 373,000 Shares;

- (vi) subsequent to the Offer Announcement Date, the Shares have traded above the Offer Price level, with a highest closing price of S\$9.64;
- (vii) the Offer Price represents a 0.98% discount over the VWAP of the Shares for the period from the first trading day after the Offer Announcement Date up to the Latest Practicable Date; and
- (viii) the Shares closed at S\$9.49 on the Latest Practicable Date. The Offer Price represents a 0.95% discount to the last closing price of the Shares as at the Latest Practicable Date.

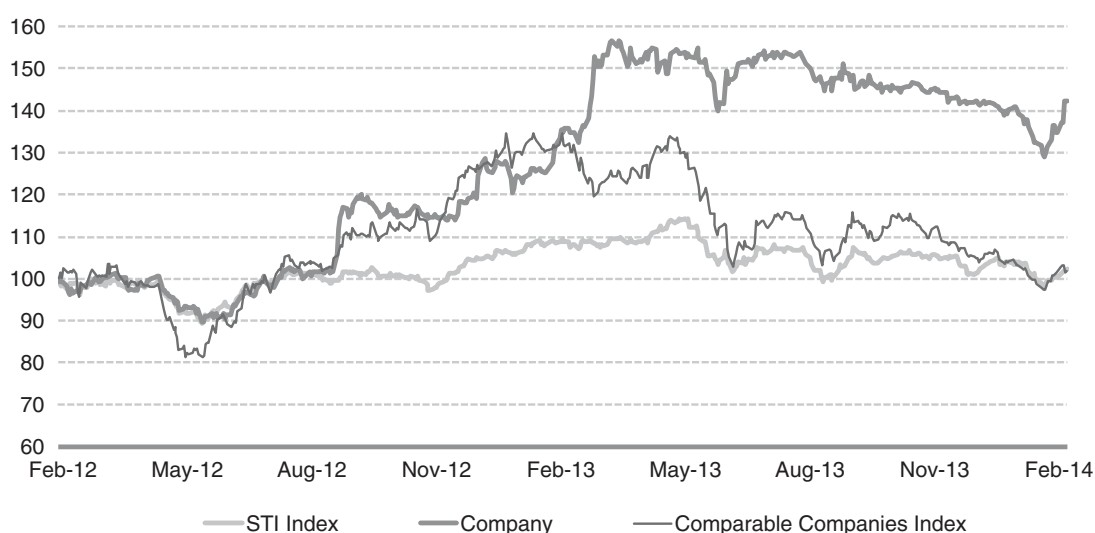
In view of the low trading liquidity of the Shares, the Offer provides an opportunity for Shareholders to cash out at a premium to market prices up to the Offer Announcement Date without incurring trading commission and other costs.

We note that there is no assurance that the Share price will remain at current levels if the Company remains listed after the completion of the Offer.

Shareholders should also note that the past trading performance of the Shares should not, in any way, be relied upon as an indication of its future trading performance, and the price performance of the Shares may have been due to market factors and other individual factors which may not be easily isolated and identified with certainty.

(B) Share price performance relative to the STI Index and the Comparable Companies Index

To gauge the market price performance of the Shares relative to the general performance of the Singapore equity market, we have compared the market price movement of the Shares against that of the STI Index and the Comparable Companies Index comprising selected listed companies engaged in the property development sector which we consider to be broadly comparable to the Company for the 24-month period up to the Offer Announcement Date.



Source: Bloomberg, CapitalIQ.

Note: Share prices have been rebased to 100 as of 22 February 2012.

- (1) The Comparable Companies Index is comprised of the share prices of CapitaLand Limited, UOL Group, Keppel Land Limited, Frasers Centrepoint Ltd and Ho Bee Land Ltd. The Comparable Companies Index is weighted based on the respective Comparable Companies' market capitalisations.

Based on the above chart, it appears that the market price of the Shares has generally outperformed the STI Index and the Comparable Companies Index for the 24-month period preceding the Offer Announcement Date.

Considering the low trading liquidity of the Shares and in the absence of evidence to the contrary, we are of the view that there may not be a reasonable amount of trading liquidity and information efficiency in the Shares, suggesting that the historically transacted prices of the Shares may not be a meaningful indicator of its market value. As such, a comparison of the Company's share price against the aforementioned indices may not be meaningful.

The past trading performance of the Shares should not in any way be relied upon as an indication of its future trading performance. Furthermore, there is no certainty that the Shares will continue to outperform the indices.

(C) NTA of the Group as at 31 December 2013 relative to the Offer Price

Based on the latest announced unaudited consolidated financial statements of the Company as at 31 December 2013, the NTA of the Group was S\$13.07 per Share.

The Offer Price of S\$9.40 represents a discount of 28.1% to the NTA per Share.

In our evaluation of the financial terms of the Offer, we have considered whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that are likely to have a material impact on the unaudited NTA of the Group as at 31 December 2013. In this respect, save as disclosed in the unaudited financial statements of the Group as at 31 December 2013 or as otherwise mentioned in this letter, the Directors have confirmed that as at the Latest Practicable Date, to the best of their knowledge, there are no contingent liabilities which are likely to have a material impact on the NTA of the Group.

We set out below a summary of the carrying values as at 31 December 2013 of the Investment Properties, Hotel Properties, Associate Properties, Joint Ventures and Development Projects owned by the Group.

	Location	Description	Effective Percentage of Company Shareholding	Carrying value as at 31 Dec 2013 ^{(1) (2)} (Unaudited) (\$m)
<i>Investment Properties</i>				
Singapore Land Tower	Singapore	47-storey complex of banks and offices and three basements of car parking space with frontages on Raffles Place/Battery Road	100%	1,500.0
Clifford Centre	Singapore	29-storey complex of shops and offices with frontages on both Raffles Place and Collyer Quay	100%	530.0
The Gateway	Singapore	Pair of 37-storey towers with two basements of car parking space located at Beach Road	100%	1,065.0

	Location	Description	Effective Percentage of Company Shareholding	Carrying value as at 31 Dec 2013 ^{(1) (2)} (Unaudited) (\$m)
ABACUS Plaza	Singapore	Pair of 8-storey office buildings (ABACUS Plaza and Tampines Plaza) with two basements of car parking space located at	100%	87.0
Tampines Plaza	Singapore	Tampines Central 1 in the Tampines Finance Park	100%	86.5
SGX Centre 1 & 2 (Company's interest)	Singapore	29-storey office building with two basements of car parking space located at 4 Shenton Way	100%	503.0
Marina Square Retail Mall ⁽³⁾	Singapore	4-storey Retail Mall (comprising fashion boutiques, department store, eating and entertainment outlets, food court, cinemas, bowling alley and car park)	53.1%	933.0
New retail wing at Marina Square Retail Mall ⁽⁴⁾	Singapore	Refer to Marina Square Retail Mall	53.1%	154.0
Subtotal				4,858.5
Hotel Properties				
Pan Pacific ⁽⁵⁾	Singapore	38-storey, 790-room hotel located at Raffles Boulevard	53.1%	430.4
Marina Mandarin ⁽⁶⁾	Singapore	22-storey, 575-room hotel at Raffles Boulevard	26.5%	82.7
Mandarin Oriental ⁽⁷⁾	Singapore	22-storey, 527-room hotel located at Raffles Avenue	26.5%	82.1
Subtotal				595.2
Associate Properties				
West Mall	Singapore	5-storey retail and entertainment complex with three basements of car parking space, located at Bukit Batok Town Centre	50%	201.5
Novena Square	Singapore	Commercial complex comprising two office towers of 25 and 18 storeys and a three-storey retail block located at the junction of Thomson Road and Moulmein Road	20%	252.3
Changfeng	Shanghai, China	398-unit condominium development at No. 11 plot, Danba Road/Tongpu Road, Changfeng Area, Putuo District, Shanghai	30%	143.1
Subtotal				596.9
Residual net assets/(liabilities) of associate investment holding companies				(83.1)
Net total				513.8

	Location	Description	Effective Percentage of Company Shareholding	Carrying value as at 31 Dec 2013 ^{(1) (2)} (Unaudited) (\$m)
Development Projects				
The Excellency	Chengdu, China	Two 51-storey blocks, located near the popular Chun Xi shopping belt in Dacisi Road.	100%	
The Trizon	Singapore	Three 24-storey blocks with 289 units on a freehold site, located off Holland Road	100%	
Mon Jervois	Singapore	5-storey boutique development with 109 units, located in the exclusive vicinity of embassies and good class bungalows in Bishopgate and Chatsworth Road.	100%	656.4
Alex Residences	Singapore	40-storey development with 429 units, located at Alexandra View, next to Redhill MRT Station.	100%	
Pollen & Bleu	Singapore	Low-rise 8-storey development with 106 units, located in Prime District 10, near Farrer Road MRT station	100%	
Subtotal				656.4
Joint Ventures				
Archipelago	Singapore	577-unit condominium development at Bedok Reservoir Road	50%	
Thomson Three	Singapore	Three 21-storey blocks with 445 apartments and 10 strata semi-detached houses, located near the upcoming Upper Thomson MRT Station	50%	20.0
Subtotal				20.0
Grand Total				6,643.8

Source: Valuation reports, unaudited FY2013 results announcement, annual reports.

- (1) Carrying values as at 31 December 2013 are sourced from the FY2013 Group unaudited balance sheet and are set out in line with the Company's accounting practices. Accordingly, Investment Properties are shown on a 100% consolidated basis and Associate and Joint Venture Properties are shown on a proportional equity accounting basis. The Company consolidates its subsidiary, Marina Centre Holdings ("MCH"), on a 100% basis. Hence, the carrying values of Pan Pacific Hotel (100% owned by MCH) is shown on a 100% consolidated basis, whereas Marina Mandarin Hotel and Mandarin Oriental Hotel (50% owned by MCH) are shown on a proportional equity accounting basis.
- (2) Carrying value methods are in line with the Company's accounting practices and set out in Note 2 of the Notes to the Financial Statements in the 2012 Annual Report.
- (3) The Company's 53.07% shareholding in Marina Square Retail Mall represents a value of S\$495.1m on a proportional basis; in line with the Company's accounting practices it is allocated in the above schedule on a 100% consolidated basis.
- (4) The new retail wing at Marina Square Retail Mall is currently under development. The Company's 53.07% shareholding in the new retail wing represents a value of S\$81.7m on a proportional basis; in line with the Company's accounting practices it is allocated in the above schedule on a 100% consolidated basis.
- (5) The Company's 53.07% shareholding in Pan Pacific Hotel represents a value of S\$228.4m on a proportional basis; in line with the Company's accounting practices it is allocated in the above schedule on a 100% consolidated basis representing MCH's shareholding. The asset's carrying value of S\$430.4m is held principally within the "Property, plant and equipment" line in the balance sheet of the unaudited FY2013 results announcement.

- (6) The Company's 26.5% shareholding in Marina Mandarin Hotel represents a value of S\$43.9m on a proportional basis. The asset's carrying value of S\$82.7m is held principally within the "Investments in associated companies" line in the balance sheet of the unaudited FY2013 results announcement.
- (7) The Company's 26.5% shareholding in Mandarin Oriental Hotel represents a value of S\$43.6m on a proportional basis. The asset's carrying value of S\$82.1m is held principally within the "Investments in associated companies" line in the balance sheet of the unaudited FY2013 results announcement.

Based on the Group's unaudited financial statements as at 31 December 2013, the carrying value of the Group's Investment Properties, Hotel Properties, Associate Properties, Joint Ventures and Development Projects was S\$6,643.8 million.

The table below sets out the computation of the NTA of the Group and the premium and/or discount of the Offer Price to the NTA per Share based on the carrying value of the Company's assets and liabilities as at 31 December 2013 according to the unaudited financial statement.

	Carrying value as at 31 Dec 2013 (Unaudited) (S\$m)
Value of Investment Properties, Hotel Properties, Associate Properties, Development Projects and Joint Ventures	6,643.8
Other assets	334.9
Total liabilities	(869.6)
Non-controlling interests	(718.0)
NTA of the Group as at 31 December 2013 (S\$m)	5,391.2
NTA per Share as at 31 December 2013 (S\$) ⁽¹⁾	13.07
Premium/(Discount) of Offer Price to NTA per Share (%)	(28.1%)

Source: Valuation reports, unaudited FY2013 results announcement.

- (1) Calculated based on the Company's issued share capital of 412,477,559 Shares as of the Latest Practicable Date.

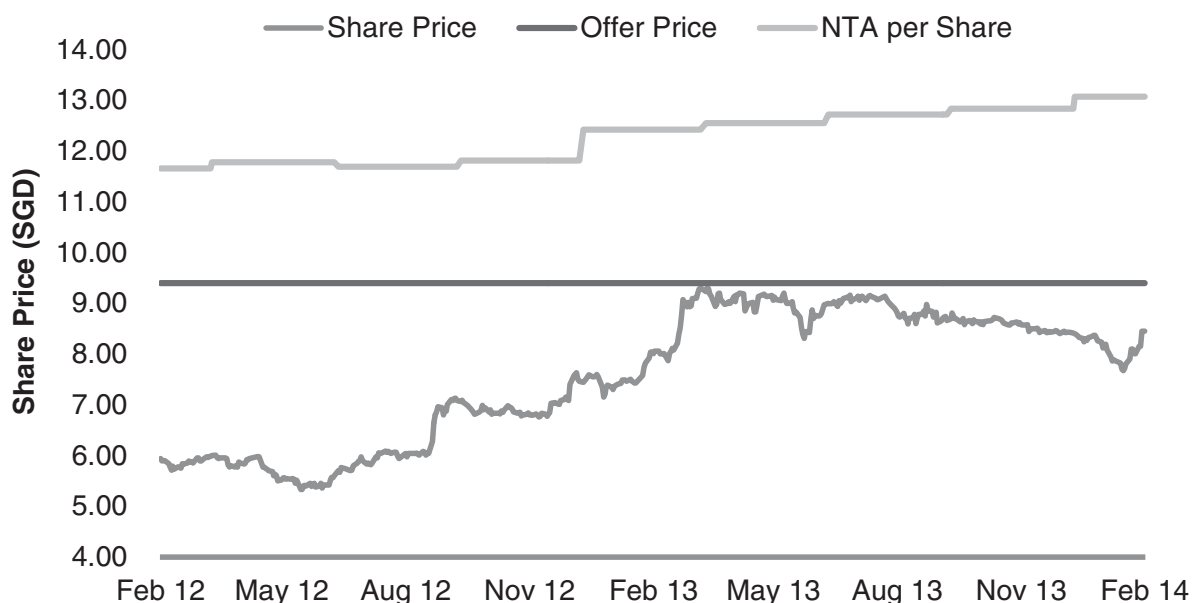
The Group's equity share of the carrying value of the three hotels, The Pan Pacific Hotel Singapore, The Marina Mandarin Singapore and Mandarin Oriental Singapore, as at 31 December 2013 is S\$315.9m, according to the Group and based on its cost-based accounting policy for hotel assets.

Based on December 2013 valuation reports of these hotels which are included in Appendix 5 of the Circular, the fair market value of the Group's shareholding in the three hotels is S\$716.4m, a gain of S\$400.6m. NTA including the fair market value of the hotels is therefore S\$5,791.8m, or S\$14.04 per share. The Offer Price represents a discount of 33.1% to this figure.

Based on the above, we note that the discount to NTA per Share is significant, although analysis of how this compares to Comparable Companies' discounts and the Company's own historical discount to NTA per Share are relevant considerations and are performed in sections D and E below.

(D) Historical trailing NTA per Share of the Company relative to the Offer Price and historical market price of the Shares

We have compared the historical market price of the Shares and the Offer Price against the historical NTA per Share of the Company as announced in its quarterly and annual results over the 2-year period prior to the Offer Announcement Date as follows.



Source: Bloomberg, CapitalIQ, Company annual reports, quarterly reports.

Based on the above, we note that:

- (i) the Shares have traded close to the Offer Price level, with a highest closing price of S\$9.30, but have neither traded at the same level nor higher than the Offer Price over the 2-year period up to the Offer Announcement Date;
- (ii) the Company's share price has consistently traded at a discount to the historical NTA per Share over the 2-year period up to the Offer Announcement Date; and
- (iii) the historical discount to prevailing NTA over the 2-year period up to the Offer Announcement Date has ranged from 25.1% to 54.8%; the Offer Price discount to prevailing NTA per Share of 28.1% is close to the narrowest discount to NTA per Share at which the company has traded at any time over the 2-year period up to the Offer Announcement Date.

(E) Valuation Multiples of Comparable Companies

For the purpose of evaluating the financial terms of the Offer, we have made reference to the valuation statistics of various Singapore-listed companies that can be considered broadly comparable to the Company to provide an indication of the current market expectations with regard to the valuation of these businesses. Brief descriptions of the Comparable Companies are set out below.

Company	Company Description	Market Cap ⁽¹⁾ (S\$m)
Capitaland Limited (“ Capitaland ”)	Capitaland is a developer and operator of real estate and a fund manager, focused on residential properties, offices, shopping malls, serviced residences and mixed developments. The company’s portfolio is predominately in Singapore and China with additional assets located around Asia, in Australia and Europe.	11,695.9
Frasers Centrepoint Limited (“ Frasers Centrepoint ”)	Frasers Centrepoint is a real estate company engaged in property development, investment and management of commercial property, serviced residences and property trusts. The company’s portfolio is located primarily in Singapore, with additional investments in China, Australasia, the UK and around Asia.	4,537.0
Ho Bee Land Limited (“ Ho Bee ”)	Ho Bee is a real estate company focused on residential, commercial and industrial property development and investment. The company operates primarily in Singapore, with additional exposure to China, Australia and Europe.	1,414.6
Keppel Land (“ Keppel Land ”)	Keppel Land is a developer of offices, residential properties, hotels and resorts, serviced apartments, industrial buildings and retail outlets and a manager of real estate trusts. The company’s core markets are Singapore and China, with additional investments around Asia.	4,884.8
UOL Group Limited (“ UOL ”)	UOL is a developer and operator of real estate, with a portfolio comprising residential apartments, offices, retail malls, hotels, spas and restaurants. The company’s portfolio is focused on Singapore with additional investments around Asia and in Australia. UOL is the ultimate controlling shareholder of the Company.	4,613.9
The Company	Singapore Land is a developer and operator of real estate, with a portfolio comprising offices, retail properties, hotels and residential projects. The company’s portfolio is primarily focused on Singapore.	3,877.3

Source: Company annual reports, CapitalIQ.

(1) Market capitalisation calculated based on the closing price as at Latest Practicable Date and dilutive shares outstanding; market capitalisation for the Company based on Offer Price.

We wish to highlight that the Comparable Companies are not exhaustive and that there is no listed company which we may consider to be identical to the Company in terms of, *inter alia*, market capitalisation, size of operations, composition of business activities, geographical spread, track record, financial performance, operating and financial leverage, risk profile, liquidity, accounting policies, future prospects and other relevant criteria. Furthermore, valuations in different geographical markets are impacted by, amongst other market-centric factors, economic conditions prevalent in those markets, cost of capital, liquidity considerations and political environments. As such, any comparison made is necessarily limited and serves only as an illustrative guide.

For the purpose of evaluating the financial terms of the Offer, we have applied the following valuation ratios on the Comparable Companies to arrive at their valuation statistics.

Valuation Multiples	Description
EV/EBITDA	“EV” or “enterprise value” is the sum of a company’s market capitalisation, preferred equity, non-controlling interests, short and long term debt less cash and cash equivalents. “EBITDA” stands for earnings before interest, tax, depreciation and amortisation expenses, excluding exceptional items¹. The EV/EBITDA multiple illustrates the market value of a company’s business relative to its pre-tax operating cashflow performance, without regard to the company’s capital structure.
P/E	“P/E” or “price-to-earnings” multiple illustrates the market price of a company’s shares relative to its earnings per share, excluding exceptional items¹. The P/E multiple is affected by, <i>inter alia</i>, the capital structure of a company, its tax position as well as its accounting policies relating to depreciation and intangible assets.
P/NTA	“NTA” or “net tangible asset” is defined to exclude, where applicable, non-controlling interests, goodwill and other intangibles. The NTA figure used for the purpose of the Comparable Companies analysis is sourced from the Comparable Companies’ publicly available balance sheets as at 31 December 2013. “P/NTA” or “price-to-NTA” ratio illustrates the ratio of the market price of a company’s shares relative to its historical NTA per share as recorded in its financial statements. The NTA figure provides an estimate of the value of a company assuming the sale of all its tangible assets, the proceeds which are first used to settle its liabilities and obligations with the balance available for distribution to its shareholders. Comparisons of companies using their NTAs are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies.

(1) Exceptional items for the purpose of this analysis are assumed to include fair value gains of investment properties and other non-recurring items. It does not include share of associated companies’ profits.

The table below sets out the valuation statistics for the Comparable Companies based on their last closing share prices as at the Latest Practicable Date.

Comparable Companies	Market Cap⁽¹⁾ (S\$m)	EV/ EBITDA⁽²⁾⁽³⁾ (times)	P/E⁽²⁾ (times)	P/NTA⁽⁴⁾ (times)
Capitaland	11,695.9	12.4x	14.7x	0.75x
Frasers Centrepoint	4,537.0	7.7x	7.8x	0.74x
Ho Bee	1,414.6	n.m.	n.m.	0.60x
Keppel Land	4,884.8	12.8x	9.2x	0.70x
UOL	4,613.9	11.6x	12.6x	0.69x
High		12.8x	14.7x	0.75x
Low		7.7x	7.8x	0.60x
Mean		11.1x	11.1x	0.69x
Median		12.0x	10.9x	0.70x
The Company (based on Offer Price)⁽⁶⁾	3,877.3	16.1 x	21.4x	0.72x

Source: Bloomberg, company annual reports, quarterly reports.

- (1) Market capitalisation calculated based on the closing price as at Latest Practicable Date and diluted shares outstanding.
- (2) Based on actual earnings and EBITDA for 2013 calendar year. EBITDA figures have been normalised to exclude exceptional items. Earnings figures are profits after tax and minority interest, normalised to exclude exceptional items. The Company's earnings and EBITDA used in this analysis exclude fair value gains on investment properties as the only exceptional item.
- (3) The EV of the respective Comparable Companies were based on (i) their market capitalisation as at the Latest Practicable Date; (ii) their preferred equity, non-controlling interests and net debt (if any) as set out in their respective latest available financial statements as at the Latest Practicable Date.
- (4) Based on the book NTA obtained from the Comparable Companies financial statements as at 31 December 2013.

For the purpose of consistency, the Company's NTA is also based on its 31 December 2013 unaudited financial statements, unadjusted for any hotel fair value gain, which is not represented in the balance sheet due to the Company's accounting policy relating to hotel properties. The company's NTA incorporating the fair market values of the hotel properties is not comparable to the book value NTAs of the Comparable Companies used in this analysis.
- (5) "n.m." denotes not meaningful.
- (6) Based on the Offer Price and shares outstanding as at the Latest Practicable Date.

Based on the above, we note that:

- (i) the EV/EBITDA of the Company implied by the Offer Price is higher than the top end of the range of the EV/EBITDA multiples of the Comparable Companies;
- (ii) the P/E ratios of the Company implied by the Offer Price is higher than the top end of the range of the P/E ratios of the Comparable Companies; and
- (iii) the P/NTA of the Company implied by the Offer Price is within the range of the P/NTA ratios of the Comparable Companies and is higher than the mean and median.

The financial data used to calculate the EV/EBITDA, P/E and P/NTA multiples in this analysis have been extracted, where available and/or applicable, from respective company reports, Bloomberg, CapitalIQ and other publicly available sources as at the Latest Practicable Date. We make no representations or warranties, express or implied, as to the correctness of such information.

(F) Comparison with precedent successful privatisations and delistings of companies listed on the SGX-ST

We note that it is the intention of the Offeror to privatise the Company and delist the Shares from the SGX-ST.

In assessing the Offer, we have compared the valuation statistics implied in the Offer Price against those in recent successful takeovers of companies listed on the SGX-ST, which were announced and completed during the 36-month period prior to the Offer Announcement Date up to and including the Latest Practicable Date.

The successful takeovers of companies listed on the SGX-ST as set out below generally fall into the categories of: (i) delisting offer under Rule 1307 of the Listing Manual where the primary intention of the offeror is to delist the target company from the Official List of the SGX-ST ("**Successful Delisting Offers**"); and (ii) privatisation transactions whether by way of scheme of arrangement under Section 210 of the Companies Act or general offer under the Code, where the intention of the offeror is to acquire 100% control of the target company, leading to the eventual delisting of the target company from the Official List of the SGX-ST ("**Successful Privatisation Transactions**").

The Independent Director should note that the level of premium (if any) an acquirer would normally pay in a takeover transaction will vary in different circumstances depending, *inter alia*, on the attractiveness of the underlying business to be acquired, the synergies to be gained from integration with an existing business, the possibility of realisation of any significant revaluation of the assets to be acquired, the availability of substantial cash reserves, the liquidity in the trading of the target company's shares, the presence of competing bids for the target company, the form of consideration offered by the acquirer, the extent of control the acquirer already has in the target company and prevailing market expectations.

The Independent Director should further note that the comparison is made without taking into consideration the relative efficiency of information, the underlying liquidity of the shares of the relevant companies, the performance of the shares of the companies, the quality of earnings prior to the relevant announcement and the market conditions or sentiments when the announcements were made or the desire or relative need for control leading to transaction.

Moreover, the Company is not in the same industry and does not conduct the same businesses as the target companies in the Successful Delisting Offers and Successful Privatisation Transactions. It may not, therefore, be directly comparable to the said target companies in terms of market capitalisation, composition of business activities, product lines, scale of operations, risk profile, geographical spread of activities, financial position and performance, accounting and taxation policies, prospects and other relevant criteria.

(i) Successful Delisting Offers

A summary of the relevant financial terms of the Successful Delisting Offers is set out below.

Company	Announced date	Premium/(Discount) of Offer Price over/(to)			
		Last transacted price	1-month VWAP	3-month VWAP	6-month VWAP
EDMI Ltd	28-Mar-11	14.1%	23.9%	22.8%	19.3%
CMZ Holdings Ltd	03-Aug-11	24.2%	32.9%	26.7%	28.4%
Centraland Limited ⁽¹⁾	12-Aug-11	11.1%	n.a.	11.1%	9.0%
Pacific Shipping Trust	04-Oct-11	14.7%	18.8%	21.5%	21.1%
Wanxiang International	11-Oct-11	43.9%	61.3%	56.3%	48.1%
CHT Holdings Ltd	31-Oct-11	100.0%	57.2%	63.0%	50.8%
Leeden Ltd ⁽²⁾	08-Nov-11	35.7%	37.4%	28.3%	28.2%
Cerebos Pacific Ltd	01-Aug-12	22.7%	22.9%	22.9%	31.2%
Gul Technologies Singapore ⁽³⁾	23-Sep-12	38.5%	57.3%	72.3%	76.1%
Synear Food Holdings	15-Oct-12	10.1%	20.8%	31.0%	37.8%
Hup Soon Global Corp ⁽⁴⁾	08-Feb-13	0.0%	(3.0%)	1.0%	(3.8%)
Pan Pacific Hotels Group Limited	10-May-13	9.0%	8.2%	6.1%	8.1%
Armstrong Industrial Corporation Limited ⁽⁵⁾	5-Jul-13	6.7%	12.6%	14.8%	21.1%
Pertama Holdings Limited ⁽⁶⁾	8-Jul-13	25.0%	33.4%	20.7%	0.2%
Superior Multi-Packaging Limited ⁽⁷⁾	6-Sep-13	0.0%	0.5%	10.8%	12.8%
Consciencefood Holding	28-Sep-13	23.5%	23.3%	18.0%	13.2%
Devotion Energy Group	7-Oct-13	23.4%	24.2%	25.0%	34.8%
Medi-Flex Limited ⁽⁸⁾	11-Oct-13	15.4%	21.0%	27.1%	30.4%
High		100.0%	61.3%	72.3%	76.1%
Low		0.0%	(3.0%)	1.0%	(3.8%)
Mean		23.2%	26.6%	26.6%	25.9%
Median		19.1%	23.3%	22.9%	24.7%
The Company⁽⁹⁾	24-Feb-14	11.2%	16.9%	13.9%	11.0%

Source: Bloomberg, offer documents, circulars.

- (1) The market premia over the VWAP for the 1-month period prior to the announcement for Centraland Limited was not available as there had been no trading in the shares during this period.
- (2) On 20 October 2011, Leeden Limited ("**Leeden**") received a query from the SGX-ST in relation to the substantial increase in its share price and on the same date, Leeden announced that it had been notified by certain of its substantial shareholders that they had been approached and were in discussions with an investor in relation to a possible acquisition of shares in the capital of Leeden. On 8 November 2011, a delisting offer was made for Leeden. The market premia in the table above, as extracted from the relevant circular, were computed based on prices prior to the holding announcement on 20 October 2011.
- (3) On 13 September 2012, Gul Technologies Singapore Ltd ("**Gul Technologies**") announced that it is aware that a party is exploring certain corporate action that may or may not lead to an offer for Gul Technologies. On 23 September 2012, a delisting offer was made for Gul Technologies. The market premia in the table above, as extracted from the relevant circular, were computed based on prices prior to the holding announcement on 13 September 2012.
- (4) The market price premia were computed based on prices prior to the mandatory unconditional cash offer announcement on 26 July 2012.
- (5) On 20 June 2013, Armstrong Industrial Corporation Limited ("**Armstrong**") announced that it had received a non-binding indicative proposal from a consortium involving the major shareholder of Armstrong that may result in the delisting of Armstrong. On 5 July 2013, a delisting exit offer was made by AG Asia Holding Pte. Ltd. ("**AGP**") for Armstrong. The market price premia were computed based on prices prior to the exit offer announcement on 5 July 2013.
- (6) On 27 January 2012, trading of the issued ordinary shares in the capital of Pertama Holdings Limited ("**Pertama**") on the SGX-ST were suspended pursuant to the SGX-ST's directive under Rule 724(2) of the Listing Manual as less than 10% of the shares were held in public hands. On 31 May 2013, Harvey Norman Singapore Pte Ltd ("**HNS**") received a notification from the SGX-ST stating that the SGX-ST is directing the delisting of Pertama pursuant to Rule 1305 of the Listing Manual. On 8 July 2013, a delisting exit offer was made by HNS for Pertama. The market price premia were computed based on prices prior to the date of suspension of Pertama's shares on 27 January 2012. HNS completed its right of compulsory acquisition under Section 215(1) of the Act on 6 January 2014.
- (7) On 5 July 2013, trading of the issued ordinary shares in the capital of Superior Multi-Packaging Limited ("**SMPL**") on the SGX-ST was suspended as the number of shares held in public hands had fallen below 10%. The market price premia were computed based on prices prior to the date of suspension of SMPL's shares on 5 July 2013.
- (8) Medi-Flex Limited ("**Medi-Flex**") is expected to be delisted from the SGX-ST on or around 21 March 2014.
- (9) The market premia implied by the Offer Price set out in the table above were computed based on prices prior to the Offer Announcement Date.

We note that the market price premia implied by the Offer Price is within the range of the premia of the Successful Delisting Offers.

(ii) Successful Privatisation Transactions

A summary of the relevant financial terms of the Successful Privatisation Transactions is set out below.

Company	Announced date	Premium/(Discount) of Offer Price over/(to) Last transacted price			
			1-month VWAP	3-month VWAP	6-month VWAP
Sinomem Technology	05-Mar-11	28.4%	33.9%	34.5%	36.6%
Passion Holdings Ltd	09-Mar-11	23.8%	28.1%	27.4%	30.0%
Qualitas Medical Group	15-Mar-11	25.0%	25.3%	49.1%	70.5%
JK Yaming International Holdings Ltd	04-May-11	4.8%	4.7%	7.5%	10.7%
Allgreen Properties Ltd	23-May-11	39.1%	40.6%	45.3%	42.6%
Hsu Fu Chi International	11-Jul-11	8.7%	10.0%	15.7%	24.7%
Portek International ⁽¹⁾	13-Jul-11	97.2%	96.9%	122.9%	136.1%

Company	Announced date	Premium/(Discount) of Offer Price over/(to)			
		Last transacted price	1-month VWAP	3-month VWAP	6-month VWAP
C&O Pharmaceutical Technology Holdings ⁽²⁾	01-Aug-11	11.1%	16.8%	20.2%	22.6%
Asia Environment Holdings Ltd	23-Aug-11	33.3%	24.0%	21.0%	24.0%
Beyonics Technology	05-Oct-11	38.3%	45.3%	28.7%	31.3%
Heng Long International ⁽³⁾	07-Oct-11	7.1%	6.8%	17.4%	29.9%
Unidux Electronics	28-Oct-11	104.3%	169.8%	98.6%	50.5%
SMB United Ltd ⁽⁴⁾	28-Dec-11	33.3%	45.5%	50.9%	52.7%
China Healthcare Ltd	05-Mar-12	16.7%	16.7%	21.7%	25.0%
Meiban Group	15-Mar-12	42.9%	41.8%	37.0%	38.4%
Adampak Ltd	02-Apr-12	21.7%	33.8%	38.2%	50.5%
Juken Technology ⁽⁵⁾	16-May-12	28.6%	26.8%	24.1%	17.7%
Brothers Holdings Ltd	30-May-12	44.4%	43.7%	39.0%	44.4%
Asia Pacific Breweries ⁽⁶⁾	20-Jul-12	52.8%	53.6%	55.2%	64.4%
Hersing Corp Ltd	08-Aug-12	21.1%	21.3%	18.5%	12.4%
Sakari Resources Ltd	27-Aug-12	27.5%	33.8%	38.7%	22.6%
Luye Pharma Group ⁽⁷⁾	28-Aug-12	16.1%	20.4%	20.4%	36.8%
Kian Ann Engineering ⁽⁸⁾	15-Oct-12	46.7%	60.0%	67.9%	78.1%
Harry's Holdings Ltd	10-Nov-12	53.3%	57.1%	72.2%	84.5%
China Farm Equipment	03-Dec-12	7.7%	2.8%	4.2%	7.9%
SC Global Developments	05-Dec-12	49.4%	57.2%	58.0%	62.9%
Kinergy Ltd	14-Dec-12	38.9%	37.4%	34.4%	44.5%
Rokko Holdings Ltd	17-Dec-12	57.1%	54.9%	50.7%	44.7%
PCA Technology Limited	1-Feb-13	11.1%	1.4%	13.6%	21.0%
Tsit Wing International Holdings Limited	11-Jun-13	36.7%	36.7%	36.2%	30.9%
Guthrie GTS Limited	21-Jun-13	21.4%	21.9%	19.7%	20.2%
Food Junction Holdings Limited	24-Jun-13	40.1%	37.8%	37.1%	33.5%
Viz Branz Limited ⁽⁹⁾	5-Jul-13	15.0%	17.9%	17.4%	17.4%
Berger International Limited	21-Aug-13	78.6%	67.8%	85.2%	95.3%
People's Food Holdings Limited	19-Oct-13	2.6%	4.2%	10.0%	(6.4%)
WBL Corporation Ltd ⁽¹⁰⁾	19-Nov-13	27.5%	26.2%	24.3%	27.7%

Company	Announced date	Premium/(Discount) of Offer Price over/(to) Last transacted price			
		1-month VWAP	3-month VWAP	6-month VWAP	
High		104.3%	169.8%	122.9%	136.1%
Low		2.6%	1.4%	4.2%	(6.4%)
Mean		33.7%	36.7%	37.9%	39.9%
Median		28.5%	33.8%	34.5%	32.4%
The Company⁽¹¹⁾	24-Feb-14	11.2%	16.9%	13.9%	11.0%

Source: Bloomberg, offer documents, circulars.

- (1) On 1 June 2011, a voluntary conditional cash offer was made by ICTSI Far East Pte. Ltd. for Portek International Limited ("**Portek**") at S\$1.20 for each share ("**ICTSI Offer**"). On 13 July 2011, Mitsui & Co., Ltd. made a voluntary conditional cash offer for Portek at S\$1.40 for each share ("**Mitsui Offer Price**"). On 1 August 2011, the ICTSI Offer was withdrawn. The computations in the table above were computed based on the Mitsui Offer Price and market prices prior to the announcement for the ICTSI Offer on 1 June 2011.
- (2) Shionogi & Co., Ltd. announced a possible mandatory unconditional cash offer on 1 August 2011 and a mandatory unconditional cash offer on 17 August 2011 for C&O Pharmaceutical Technology (Holdings) Limited. The market premia in the table above were computed based on prices prior to the possible mandatory unconditional cash offer announcement on 1 August 2011.
- (3) On 6 May 2011, Heng Long International Ltd. ("**Heng Long**") announced that it had been notified that its substantial shareholders had been approached with a non-binding expression of interest in a possible transaction involving the shares or business of Heng Long which may or may not lead to an offer being made for Heng Long or its business. On 7 October 2011, HLI Holding Pte. Ltd. announced a voluntary conditional cash offer for Heng Long. The market premia in the table above were computed based on prices prior to the holding announcement on 6 May 2011.
- (4) On 31 October 2011, a voluntary conditional cash offer was made by Profit Sea Holdings Limited for SMB United Limited ("**SMB**") at S\$0.32 for each share ("**Profit Sea Offer**"). On 19 December 2011, SMB announced that it had received an expression of interest from a third party in connection with a potential acquisition of all ordinary shares in the share capital of SMB. On 28 December 2011, Osaki Electric Co., Ltd. made a voluntary conditional cash offer for SMB at S\$0.40 for each share ("**Osaki Offer Price**"). On 17 January 2012, the Profit Sea Offer was withdrawn. The computations in the table above were computed based on the Osaki Offer Price and market prices prior to the announcement for the Profit Sea Offer on 31 October 2011.
- (5) On 14 September 2011, Juken Technology Limited ("**Juken**") and Frencken Group Limited ("**Frencken**") jointly announced that they had entered into an indicative term sheet relating to the proposed acquisition by Frencken of all issued and paid up ordinary shares (excluding treasury shares) in the capital of Juken by way of scheme of arrangement. Frencken announced a pre-conditional voluntary conditional offer on 16 May 2012 and a voluntary conditional offer on 23 August 2012 for Juken ("**Juken Offer**"). The market premia in the table above were computed based on prices prior to the joint announcement by Juken and Frencken on 14 September 2011 and the cash consideration offered under the Juken Offer.
- (6) On 16 July 2012, OCBC and Great Eastern Holdings Limited ("**GEH**") jointly announced that they had been approached with an offer to purchase, *inter alia*, their combined stakes in Asia Pacific Breweries Limited and they were having discussions on this. Heineken International B.V. announced a pre-conditional mandatory cash offer on 18 August 2012 and a mandatory unconditional cash offer on 15 November 2012 for APB. The market premia in the table above were computed based on prices prior to the joint announcement by OCBC Bank and GEH on 16 July 2012.
- (7) On 28 August 2012, a voluntary unconditional cash offer ("**Luye Offer**") was made by Luye Pharmaceutical Investment Co., Ltd. ("**Luye Investment**") for Luye Pharma Group Ltd. ("**Luye Pharma**"). The market premia in the table above were computed based on prices prior to 30 July 2012, being the last full Market Day on which the shares in Luye Pharma were traded on the SGX-ST prior to the date of announcement of the Luye Offer.
- (8) On 17 August 2012, Kian Ann Engineering Ltd ("**Kian Ann**") announced that it had been approached by a party in relation to a possible transaction involving the shares of Kian Ann. On 15 October 2012, Kian Ann and Invicta Asian Holdings Pte. Ltd. ("**Invicta**") jointly announced the proposed acquisition by Invicta of all the issued and paid up ordinary shares in the capital of Kian Ann by way of a scheme of arrangement in accordance with Section 210 of the Act (the "**Kian Ann Scheme**"). The market premia in the table above were computed based on prices prior to the holding announcement on 17 August 2012.

- (9) On 5 July 2013, a mandatory unconditional cash offer was made by Pluto Rising Pte. Ltd. For Viz Branz Limited ("**Viz Branz**") at S\$0.78 per share. On 1 August 2013, the offer price was revised to S\$0.815 per share. The market price premia were computed based on prices prior to the first announcement on 5 July 2013.
- (10) The market price premia were computed based on prices prior to the announcement on 26 November 2012 that The Straits Trading Company Limited ("**STC**") intended to make a mandatory conditional offer for the shares and convertible bonds of WBL Corporation Limited ("**WBL**").
- (11) The market premia implied by the Offer Price set out in the table above were computed based on prices prior to the Offer Announcement Date.

We note that the market price premia implied by the Offer Price is within the range of the premia of Successful Privatisation Transactions.

(G) Dividend yield of the Company relative to the Comparable Companies

Set below is a summary of the dividend per Share declared by the Company for FY2012 which was paid on 21 May 2013.

Company	FY2012
Ordinary Dividend per Share (S\$)	0.20
Share Price as at the last cum-dividend date (S\$)	9.06
Ordinary Dividend Yield (%) ⁽¹⁾	2.2%

Source: Bloomberg, Company annual reports, quarterly reports.

- (1) Computed as the ordinary dividend per share divided by the closing market price on the last cum-dividend date (or where there was no trading on such date, the last available closing market price prior thereto). The aforementioned dividend yield computed may differ from the actual dividend yield which will vary depending on the actual cost of investment paid by the individual investor.

Shareholders who accept the Offer may re-invest the proceeds from the Offer in selected alternative equity investments including the equity of the Comparable Companies. For the purpose of illustration, the dividend yields of these selected alternative investments based on their ordinary dividends declared in respect of their respective last financial year for which all dividends have been paid are as follows.

Company	Dividend Yield ⁽¹⁾ (%)
Capitaland	1.9%
Frasers Centrepoint	n.a.
Ho Bee	4.3%
Keppel Land	2.9%
UOL	2.1%
High	4.3%
Low	1.9%
Mean	2.8%
Median	2.5%

Source: Company annual reports, quarterly reports

- (1) Computed as the ordinary dividend per share for the last financial year in which dividends have been paid out, divided by the closing market price on the last cum-dividend date (or where there was no trading on such date, the last available closing market price prior thereto). The aforementioned dividend yield computed may differ from the actual dividend yield which will vary depending on the actual cost of investment paid by the individual investor.

Based on the above, we note that the ordinary dividend yield of the Company of 2.2% for FY2012 lies within the range of the ordinary dividend yields of the Comparable Companies relating to the last paid dividends and is below the mean and the median dividend yields.

We wish to highlight that the above dividend analysis serves only as an illustrative guide and is neither an indication of the Company's future dividend policy, nor that of any of the Comparable Companies. Furthermore, an investment in the equity of the Comparable Companies also presents different risk-return profiles compared to an investment in the Shares. Moreover, there is no assurance that the Company or any of the above selected alternative investments will continue to pay dividends in the future or maintain the level of dividends paid in past periods. Furthermore, it should also be noted that the above analysis ignores the effect of any potential capital gain or capital loss that may accrue to the Shareholders arising from their investment in the shares due to market fluctuations in the price of the shares during the relevant corresponding periods in respect of which the above dividend yields were analysed.

(H) Other relevant considerations which have a significant bearing on our assessment

(i) The Offer is unconditional

The Offeror and parties acting in concert with it currently own 331,448,384 Shares as at the Latest Practicable Date, representing 80.36% of the total number of issued Shares.

Accordingly as at the Latest Practicable Date, the Offer is unconditional. As such, Shareholders who accept the Offer are assured of receiving the Offer Price in respect of all their acceptances of the Offer with no transaction costs involved.

(ii) Compulsory acquisition and listing status of the Company

As set out in Section 4 of the Circular, according to the Offer Document, the Offeror has stated its intention not to maintain the listing status of the Company and to exercise any rights of compulsory acquisition they may have. **Shareholders should read Section 4 of the Circular carefully.**

Shareholders should note that as at the Latest Practicable Date, based on publicly available information, approximately 11.38% of the total number of issued Shares are held by members of the public. The term "public" is defined in the Listing Manual as persons other than (a) directors, chief executive officer, substantial shareholders, or controlling shareholders of the issuer or its subsidiary companies, and (b) associates of the persons set out in (a).

(iii) Implications of delisting for Shareholders

Shareholders should note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of marketability. **If the Company is delisted from the official list of the SGX, it is likely to be difficult for Shareholders who do not accept the Offer to sell their Shares in the absence of a public market for the Shares. If the Company is delisted, even if such Shareholders were able to sell their Shares, they may receive a lower price as compared to the Offer Price.** Further, any transfer or sale of Shares represented by share certificates will be subject to a stamp duty.

As an unlisted company, the Company will no longer be obliged to comply with the listing requirements of the SGX-ST. In particular the Company will no longer be obliged to provide, and Shareholders will no longer enjoy, the same level of protection, transparency and

accountability afforded and imposed on the Company by the Listing Manual (including the requirement to have independent directors). Nonetheless, as a company incorporated in Singapore, the Company will still need to comply with the Companies Act and its Memorandum and Articles, and the interests of Shareholders who do not accept the Offer will be protected to the extent provided for by the Companies Act.

If the Company is delisted from the Official List of the SGX-ST, each Shareholder who holds Shares that are deposited with CDP and does not accept the Offer will be entitled to one share certificate representing his delisted Shares. The Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., will arrange to forward the share certificates to such Shareholders who are not CPFIS Investors, by ordinary post and at the Shareholders' own risk, to their respective addresses as such addresses appear in the records of CDP for their physical safekeeping. The share certificates belonging to CPFIS Investors will be forwarded to their respective CPF Agent Banks for their safekeeping.

Shareholders who are in doubt of their position should seek independent professional advice.

(iv) Control of the Company

As mentioned above, the Offeror already controls approximately 80.36% of the total number of issued Shares, regardless of whether any additional shares are acquired as a result of the Offer. This entitles the Offeror to determine, amongst other things, the financial and operating policies, management and strategy of the Company. **In this regard, there is no assurance that the Company will continue to maintain the level of dividends paid in past periods, regardless of whether the Company will remain listed or be delisted.**

With this level of super-majority control, the Offeror also has the right to pass all ordinary and special resolutions of the Company on matters in which the Offeror and/or the parties acting in concert with it and/or its associates do not have an interest, at general meetings of Shareholders.

(v) Offeror's future plans for the Company

Following the close of the Offer, assuming that the Company is successfully privatised, the UIC Group will have greater management flexibility to review the operations, management and financial position of the Group, and to evaluate various options or opportunities which may present themselves which it regards to be in the interests of the UIC Group and/or the Group.

Save as disclosed above, the Offeror does not currently have any intention to make major changes to (a) the business of the Group; (b) the deployment of the fixed assets of the Group; or (c) the employment of the employees of the Group.

(vi) Alternative Offer

As at the Latest Practicable Date, the Directors have not received any competing offer or an enhancement or revision of the Offer and there is no publicly available evidence of an Alternative Offer for the Shares from any third party.

Shareholders should also note that, under the Code, except with the consent of the SIC, neither the Offeror nor any person acting in concert with it may, within six (6) months of the closure of the Offer, make a second offer to, or acquire any Shares from, any Shareholder on terms better than those made available under the Offer.

8. RECOMMENDATION

Shareholders should read the following in conjunction with, and in context of, the full text of the Letter. In arriving at our opinion, we have taken into consideration, amongst other things, the following factors:

- (i) the Offeror currently holds 80.36% (80.46% including Shares held by parties acting in concert) of the total number of issued Shares and is in a position to exert significant control including passing of ordinary resolutions and reducing dividends, furthermore no change of control would occur as a result of the Offer and so no change of control premium is applicable;
- (ii) as informed by the Directors, the Company has not received any competing offer or an enhancement or revision of the Offer and there is no publicly available evidence of an Alternative Offer for the Shares from any third party as at the Latest Practicable Date. In the event of an alternative or competing offer, we note that unless the Offeror accepts such alternative or competing offer, any offer made by any third parties would not be capable of becoming unconditional;
- (iii) the Shares have low trading liquidity, with an average daily trading volume of the Shares of approximately 63,000 Shares over the 12 month period prior to the Offer Announcement Date and the Offer therefore provides an opportunity for Shareholders to cash out at a premium to market prices without incurring trading commission and other costs;
- (iv) the Offer Price of S\$9.40 per share is above the range that the Shares have traded over the 12-month period prior to the Offer Announcement Date. The Offer Price represents a 22.56% premium over the lowest closing price of S\$7.67 during this period and a 1.08% premium over the highest closing price of S\$9.30 during this period;
- (v) the Shares have traded at a modest premium to the Offer Price subsequent to the Offer Announcement Date and the last traded price of the Shares on the Latest Practicable Date was S\$9.49 per share, a premium of 0.96% above the Offer Price;
- (vi) the Offer Price represents a premium of 7.85%, 10.97%, 13.87% and 16.92% over the 12-month, 6-month, 3-month and 1-month VWAP of the Shares respectively;
- (vii) the market price of the Shares outperformed the STI Index and the Comparable Companies Index for the 1-year period preceding the Offer Announcement Date;
- (viii) The Offer Price of S\$9.40 represents a discount of 28.1% to the NTA per Share on a carrying value basis (a discount of 33.1% including the fair market value of the Hotel Properties);
- (ix) the Company's share price has consistently traded at a discount to the trailing NTA per Share over the 2-year period up to the Offer Announcement Date;
- (x) the historical discount to prevailing NTA over the 2-year period up to the Offer Announcement Date has ranged from 25.1% to 54.8%; the Offer Price discount to prevailing NTA per Share of 28.1% is close to the narrowest discount to NTA per Share at which the company has traded at any time over the 2-year period up to the Offer Announcement Date; it is possible that a smaller discount to NTA per Share of the Company may be realised by Shareholders who choose to retain their Shares and seek an exit in the future, although there is no assurance of this and it is subject to the risks outlined in this letter;

- (xi) the P/NTA of the Company implied by the Offer Price is within the range of the P/NTA ratios of the Comparable Companies and is higher than the mean and median;
- (xii) the EV/EBITDA and P/E of the Company implied by the Offer Price are higher than the top end of the range of the EV/EBITDA and P/E multiples of the Comparable Companies;
- (xiii) the market price premia implied by the Offer Price is within the range of the premia of the Successful Delisting Offers and Privatisation Transactions but below the mean and median of each metric;
- (xiv) the ordinary dividend yield of the Company of 2.2% for FY2012 lies within the range of the ordinary dividend yields of the Comparable Companies and is below the mean and the median ordinary dividend yields;
- (xv) if the Offeror succeeds in garnering acceptances such that less than 10% of the total number of issued Shares remain in public hands, the SGX-ST will suspend trading of the Shares – those shareholders who did not accept the Offer would be unable to sell shares on the SGX-ST; and
- (xvi) the Offeror intends to delist the Company from the SGX-ST and, when entitled, to exercise its right under Section 215(1) of the Companies Act to compulsorily acquire, at the Offer Price, all the Shares held by Shareholders who have not accepted the Offer.

Based on the considerations set out in this letter and the information available to us as at the Latest Practicable Date, we are of the opinion that the financial terms of the Offer are fair and reasonable and not prejudicial to the interests of the Shareholders in the context of an offer involving no change in control of the Company. We recommend that the Independent Director should advise the Shareholders either to ACCEPT the Offer or to consider selling their Shares in the open market if they can obtain a price higher than the Offer Price (after taking into account all brokerage commissions or transaction costs in connection with open market transactions) by doing so. Shareholders should note that according to the provisions of the Code, the Offeror remains entitled to increase the Offer Price and if Shareholders choose to sell their Shares in the open market they would not have the potential to benefit from any increase in the Offer Price. We are not aware of any indication that the Offeror will increase the Offer Price.

Our opinion as disclosed in this letter is based upon the financial, market, economic, industry, monetary and other applicable conditions subsisting on, and the information made available to us as of, the Latest Practicable Date.

In rendering our advice and giving our recommendation, we have not had regard to the general or specific investment objectives, financial situation, risk profiles, tax position or particular needs and constraints of any Shareholder. As different Shareholders have different investment profiles and objectives, we advise the Independent Director to recommend that any Shareholder who may require specific advice in relation to the Offer consult his stockbroker, bank manager, solicitor, accountant, tax advisor or other professional advisor immediately.

Shareholders should be advised that the trading performance of the Shares is subject to, amongst other things, the performance and prospects of the Company, prevailing economic conditions, economic outlook, stock market conditions and sentiments. We note that there is no certainty that the Share price will remain at current levels after the close of the Offer, should the Company remain listed on the SGX-ST. We also note that there is no certainty as to the degree of liquidity of the Shares after the close of the Offer. Accordingly, our advice does not and cannot take into account future trading activities or patterns or price levels that may be established for the Shares after the Latest Practicable Date.

This Letter is addressed to the Independent Director for his benefit, in connection with, and for the purpose of, his consideration of the Offer provided, that a copy of this opinion may be included in its entirety in the Circular and no other person may reproduce, disseminate or quote this letter (or any part thereof) for any other purpose at any time and in any manner except with ANZ's prior written consent in each specific case. Our terms of reference do not require us to express, and we do not express, an opinion on the future growth prospects of the Company. We assume no responsibility to update, revise or reaffirm our opinion in the light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. The recommendation to be made by the Independent Director to the Shareholders shall remain the responsibility of the Independent Director.

This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter. Nothing herein shall confer or be deemed or is intended to confer any right or benefit to any third party and the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore shall not apply.

Yours faithfully

For and on behalf of

Australia and New Zealand Banking Group Limited, Singapore Branch

A handwritten signature in black ink, appearing to read 'Ben Gledhill', written in a cursive style.

Ben Gledhill

Head of Corporate Advisory, Asia

GENERAL INFORMATION

1. DIRECTORS

The names, addresses and designations of the Directors as at the Latest Practicable Date are set out below:

Name	Address	Designation
Wee Cho Yaw	2 Jalan Asuhan Singapore 299323	Non-Executive Chairman
John Gokongwei, Jr.	33 rd Floor Galleria Regency Condominium Ortigas Avenue Cor., ADB Avenue, Quezon City, Philippines	Non-Executive Deputy Chairman
Lim Hock San	10 Peirce Road Singapore 248529	President and Chief Executive Officer
James L. Go	Laguna Unit, Sky 3, Level 44, 1 Roxas Triangle, Paseo De Roxas Corner Cruzada St., Makati City, Philippines	Non-Executive Director
Lance Yu Gokongwei	517 Senator Gil, Puyat Avenue, Extension, North Forbes Park, Makati City, Philippines	Non-Executive Director
Gwee Lian Kheng	245 Orchard Boulevard #17-03 Orchard Bel Air Singapore 248648	Non-Executive Director
Hwang Soo Jin	55 Cairnhill Road #21-04 Cairnhill Plaza Singapore 229666	Non-Executive and Independent Director
Roberto R. Romulo	9C Urdaneta Apartments 6735 Ayala Avenue Makati City 1226, Philippines	Non-Executive and Independent Director
Wee Ee Lim	6 Camden Park Camden Park Singapore 299796	Non-Executive Director
Yang Soo Suan	997 Bukit Timah Road #02-05 Casa Esperanza Singapore 589633	Non-Executive and Independent Director
Yeo Khirn Hai Alvin	8 Belmont Road Singapore 269856	Non-Executive and Independent Director

2. BACKGROUND INFORMATION

The Company was incorporated in Singapore on 21 June 1963 and is listed on the Main Board of the SGX-ST. Its registered office is at 24 Raffles Place, #22-01/06 Clifford Centre, Singapore 048621. Today, the Company is a major Singapore property player, associated with premier property developments in both prime and suburban locations. It is an investment holding company with its core business being property development and management. The principal activities of the Company and its subsidiaries consist of development of properties for investment and trading, investment holding, property management, and investment in hotels and retail centres.

3. SHARE CAPITAL

3.1 Issued Shares. As at the Latest Practicable Date, the Company has an issued and paid-up capital of approximately S\$840,348,143.00 consisting of 412,477,559 Shares. Since the end of the previous financial year, the Company did not issue any new Shares. The Shares are ordinary shares carrying equal ranking rights to dividends, voting at general meetings and return of capital. The Company does not hold any treasury shares and does not have any other class of share capital as at the Latest Practicable Date. There is no restriction in the Memorandum and Articles of Association of the Company on the right to transfer any Shares, which has the effect of requiring the holders of Offer Shares, before transferring them, to offer them for purchase to members of the Company or to any other person.

3.2 Rights in Respect of Capital, Dividends and Voting. The rights of Shareholders in respect of capital, dividends and voting in relation to ordinary shares is extracted from the Articles of Association of the Company and reproduced as follows:

(a) Rights in Respect of Capital

“5. The Company may by Ordinary Resolution –

Alteration of capital.

(a) *consolidate and divide all or any of its share capital into shares of larger amount than its existing shares. On any consolidation of fully paid shares into shares of larger amount, the Directors may settle any difficulty which may arise as they think expedient and in particular (but without prejudice to the generality of the foregoing) may as between the shares of Members to be consolidated determine which particular shares are to be consolidated into each consolidated share and in the case of any shares of Members being consolidated with shares of another Member may make such arrangements as may be thought fit for the sale of the consolidated share or any fractions thereof and for such purpose may appoint some person to transfer the consolidated share to the purchaser and arrange either for the distribution among the persons entitled thereto of the net proceeds of such sale after deduction of the expenses of sale or for the payment of such net proceeds to the Company PROVIDED THAT when the necessary unissued shares are available the Directors may in each case where the number of shares in respect of which any holder or Depositor is a Member is not an exact multiple of the number of shares to be consolidated into a single share issue to each such holder or Depositor credited as fully paid up by*

way of capitalisation the minimum number of shares required to round up his shareholding to such a multiple (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at the Directors' discretion from any of the sums standing to the credit of any of the Company's Reserve Accounts or to the credit of profit and loss account and capitalised by applying the same in paying up such shares;

- (b) cancel the number of shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the number of the shares so cancelled; and*
- (c) subdivide its shares or any of them (subject nevertheless to the provisions of the Act) PROVIDED ALWAYS that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced shares is derived.*

- 6. *The Company may by Special Resolution reduce its share capital, or any undistributable reserve in any manner and subject to any incident authorised and consent required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these Articles and the Act, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.* *Power to reduce capital.*

- 7. *Subject to the Act and other written laws, the Listing Rules of the SGX-ST and these Articles relating to new shares and to any special rights attached to any share for the time being issued, all shares shall be under the absolute control of the Company in General Meeting but subject thereto, the Directors may allot, grant options over or otherwise dispose of the same to such persons on such terms and conditions, for such consideration and at such times as the Directors may determine. PROVIDED THAT:–* *Shares under control of General Meeting.*

- (a) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same; and*
- (b) no shares may be issued to transfer a controlling interest without the prior approval of the Company in General Meeting.*

- 8. *Subject to the Act and other written laws, these Articles and any direction to the contrary that may be given by the Company in General Meeting and except as permitted under the listing rules of the Exchange, all new shares shall, before issue, be offered to such Members as at the date of the offer are entitled to receive* *Issue of new Shares.*

notices from the Company of General Meetings in proportion as nearly as the circumstances admit, to the number of the existing shares to which they are entitled. In offering such new shares in the first instance to all the then holders of any class of shares, the offer shall be made by notice specifying the number of shares offered and limiting a time within which the offer, if not accepted, will be deemed to be declined and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, or of which new shares which could not be offered to Members outside Singapore, the Directors may dispose of those shares in such manner as they think most beneficial to the Company and the Directors may likewise so dispose of any such new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of Directors, be conveniently offered in the manner hereinbefore provided.

9. Notwithstanding Article 8, the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:—
- Authority to
Directors to
issue shares
and
convertible
securities.
- (a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and
 - (b) (notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force.

PROVIDED THAT :—

- (a) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Exchange; and
- (b) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the listing rules of the Exchange for the time being in force (unless such compliance is waived by the Exchange) and these Articles; and

(unless revoked or varied by the Company in General Meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution or

the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).

10. (1) *Any share in the Company may be issued with such preferred, deferred or other special rights or any other restrictions, as the Company may from time to time by Ordinary Resolution determine, and subject to the provisions of the Act (and these Articles) the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue thereof may by Ordinary Resolution determine. Preference shares may be issued subject to such limitation thereof as may be prescribed by any stock exchange upon which shares in the Company may be listed. The total number of issued preference shares shall not exceed the total number of issued ordinary shares.* *Company may issue shares with preferred, deferred or other special rights.*

- (2) *Subject to any directions that may be given in accordance with the powers contained in the Memorandum or these Articles, any capital raised by the creation of new shares shall be considered as part of the original capital and as consisting of ordinary shares and shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as if it had been part of original capital.* *New capital considered part of original capital.*

11. *In the event of the Company at any time issuing preference capital, the Company shall have power to issue further preference capital ranking equally with or in priority to the preference shares already issued and the rights conferred upon the holders of preference shares shall not unless otherwise expressly provided by the conditions of issue of such shares be deemed to be altered by the creation or issue of such further preference capital ranking equally with or in priority thereto.* *Issue of further preference shares.*

12. *Subject to the provisions of the Act, all or any of the special rights or privileges for the time being attached to any preference shares for the time being issued may from time to time (whether or not the Company is being wound up) be modified, affected, altered or abrogated and preference capital other than redeemable preference shares may be repaid if authorised by Special Resolution passed by holders of such preference shares at a special meeting called for the purpose. To any such special meeting all the provisions of these Articles as to General Meetings of the Company shall mutatis mutandis apply but so that the necessary quorum shall be two holders of preference shares present either in person or by proxy representing not less than one-third of the preference shares issued and that every such holder of preference shares shall be entitled on a poll to one vote for every preference share held by him, and that any holder of preference shares present either in person or by proxy may demand a poll.* *Alteration of rights of preference shareholders.*

PROVIDED THAT where the necessary majority for such a Special Resolution is not obtained at the meeting, consent in writing if obtained from the holder or holders of three-fourths of the preference shares concerned within two months of the meeting shall be as valid and effectual as a Special Resolution carried at the meeting.

13. *Preference shares may be issued subject to the limitations as may be prescribed by the Exchange and the rights attaching to shares other than ordinary shares shall be expressed in the Memorandum of Association or these Articles. Preference shareholders shall have the same rights as ordinary shareholders as regards the receiving of notices, reports and balance sheets and the attending of General Meetings of the Company unless the conditions of the issue of the relevant class of preference shares provide otherwise. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital of the Company or winding up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or where the dividend on the preference shares is more than six months in arrears.* Rights of preference shareholders.
14. *If by the conditions of allotment of any shares, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the persons who for the time being, and from time to time, shall be holders for the time being of the shares, or their legal personal representatives.* Instalments of shares.
15. *The Company may pay a commission or brokerage to any person in consideration of his subscribing, or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares or debentures in the capital of the Company or options therefor. Any such commission may be paid at such rate or amount and in such manner as the Directors may deem fit and the Company may, in addition to, or in lieu of, such commission or brokerage, in consideration of any person so subscribing or agreeing to subscribe, whether absolutely or conditionally, or of his procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares or debentures in the Company or options therefor, confer on any such person an option to call within a specified time for a specified number or amount of shares in the Company at a specified price. The requirements of the provisions of the Act shall be observed, so far as applicable.* Commission of subscribing.
17. *Subject to and in accordance with the provisions of the Act, the listing rules of the Exchange, and other written law, the Company may purchase or otherwise acquire shares (whether ordinary or preference or otherwise), options, stocks, debentures, debenture stocks, bonds, obligations, securities, and all other equity, derivative, debt and financial instruments issued by it on such terms as the Company may think fit and to the extent permitted and in the manner prescribed by the Act. Any shares so purchased or acquired by the Company may be cancelled immediately on* Company may acquire its own shares.

purchase or acquisition, or held in treasury in accordance with the Act. On cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, in accordance with the Act.

18. *The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act. Unless otherwise specified or restricted by law, the Company may pay commissions or brokerage on any issue or purchase of its shares, or sale, disposal or transfer of treasury shares at such rate or amount and in such manner as the Directors may deem fit.* Treasury shares.
20. (1) *The Company and the CDP shall not be bound to register more than three persons as the joint holders of any share except in the case of executors or administrators of the estate of a deceased Member.* Joint holders and Depositors.
- (2) *Subject to Article 20(1), any two or more persons may be registered as joint holders of any share or named in the Depository Register as joint Depositors. In the case of the death of any one or more of the joint registered holders or joint Depositors of any share, the survivors shall be the only persons recognised by the Company as having any title to or interest in such share but the Company may require such evidence of death as it may deem fit.*
- (3) *Any one of the joint holders of any share or joint Depositors may give effectual receipts for any dividends, bonuses or other moneys payable to such joint holders or joint Depositors. The first named on the Register or the Depository Register shall, however, as regards voting, appointment of proxies, service of notices and delivery of certificates and dividend warrants, be deemed to be the sole owner of such share and any notice given to such person shall be deemed notice to all the joint holders or joint Depositors, as the case may be.*
- (4) *The joint holders of any share or the joint Depositors in respect of any share shall be liable jointly and severally in respect of all payments and liabilities in respect of such share.*
21. *Save as herein otherwise provided the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and a Depositor as the absolute owner of the number of shares which are entered against his name in the Depository Register and accordingly, shall not be bound (except as ordered by a court of competent jurisdiction or as by law required) to recognise even when having notice of any equitable or other claim to or interest in any such share on the part of any person.* Member absolute owner.

22. *No person shall exercise any rights or privileges as a Member until his name shall have been entered in the Register or the Depository Register and he shall have paid all calls and other moneys for the time being due and payable on any share in respect of which he is a Member alone or jointly with any other person.* *Exercise of rights of Members.*
59. (1) *The Company in General Meeting may convert any paid-up shares into stock and may from time to time reconvert such stock into paid-up shares.* *Conversion of shares into stock.*
- (2) *When any shares have been converted into stock the several holders of and Depositors in respect of such stock may transfer their respective interests therein or any in default of any direction then in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances will admit. The Directors may if they think fit from time to time fix the minimum amount of stock transferable.* *Stockholders entitled to transfer interest.*
- (3) *The several holders of and Depositors in respect of stock shall be entitled to participate in the dividends and profits of the Company according to the amount of their respective interests in such stock and such interests shall, in proportion to the amount thereof, confer on the holders thereof and the Depositors in respect thereof respectively the same rights, privileges and advantages for the purposes of voting at meetings of the Company and for other purposes as if they held or were Depositors in respect of the shares from which the stock arose, but so that none of such rights, privileges or advantages (except the participation in the dividends, profits and assets of the Company) shall be conferred by any such part of consolidated stock as would not, if existing in shares, have conferred such rights, privileges or advantages.* *Stockholders entitled to profits.*
- (4) *All such provisions of these Articles as are applicable to paid up shares shall apply to stock and in all such provisions the words "shares" and "shareholder" shall include "stock" and "stockholder".* *Definitions.*
60. (1) *Subject to the provisions of the Act, all or any of the special rights or privileges attached to any class of shares in the capital of the Company for the time being may, at any time, as well before as during liquidation, be modified, affected, altered or abrogated, either with the consent in writing of the holders of such shares of not less than three-fourths of the issued shares of the class, or with the sanction of a Special Resolution passed at a separate general meeting of the holders of such shares of the class, and all the provisions contained in these Articles relating to general meeting shall mutatis mutandis apply to every such meeting, but so that the quorum thereof shall be not less than two persons personally present and being or representing by proxy of one-third of the issued shares of the class, and that any holder of such shares, present in person or by proxy, shall on a poll be* *Modification of class rights.*

entitled to one vote for each share of the class in respect of which he is a holder of such shares, and if at any adjourned meeting of such holders such quorum as aforesaid is not present, any two holders of such shares of the class who are personally present shall be a quorum. The Directors shall comply with the provisions of Section 186 of the Act as to forwarding a copy of any such consent or resolution to the Accounting and Corporate Regulatory Authority.

(2) The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights whereof are to be varied.

*(3) Subject to the terms on which any shares may be issued, the rights or privileges attached to any class of shares in the capital of the Company shall be deemed to be varied or abrogated by the reduction of the capital paid up on such shares or by the allotment of further shares ranking in priority thereto for payment of a dividend or repayment of capital but shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued.*

148. (1) The Directors may, with the sanction of an Ordinary Bonus Resolution of the Company (including any Ordinary Issues Resolution passed pursuant to Article 9):

(a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) the CDP register at the close of business on:

(i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or

(ii) (in the case of an Ordinary Resolution passed pursuant to Article 9) such other date as may be determined by the Directors, in proportion to their holdings of shares; and

(b) capitalize any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the CDP register at the close of business on:

- (i) *the date of the Ordinary Resolution (or such other date as may be specified therein or determine as therein provided); or*
 - (ii) *(in the case of an Ordinary Resolution passed pursuant to Article 9) such other date as may be determined by the Directors, in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued ordinary shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.*
- (2) *The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue or capitalisation under Article 148(1), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.*
- (3) *In addition and without prejudice to the powers provided for by Articles 148(1) and 148(2), the Directors shall have power to issue shares for which no consideration is payable and to capitalize any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting and on such terms as the Directors shall think fit."*

(b) Rights in Respect of Dividends

- “58. (1) *A person becoming entitled to a share or an interest in respect of a share in consequence of the death or bankruptcy of any Member shall have the right to receive and give a discharge for any dividends or other moneys payable in respect of the share, but he shall have no right to receive notice of or to attend or vote at meetings of the Company, or (save as aforesaid) to any of the rights or privileges of a Member in respect of the share, unless and until he shall be registered as the holder or named in the Depository Register as the Depositor in respect thereof PROVIDED ALWAYS that the Directors may at any time give notice requiring any such person to elect either to be registered or named in the Depository Register himself or to transfer the share, and if the notice is not complied with in accordance with these Articles within ninety days, the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.* *Persons entitled to dividends on transmission.*
- (2) *The Company shall be entitled to charge a fee not exceeding ten dollars or such other sum as may be determined from time to time on the registration in the Register of every probate, letter of administration, death or marriage certificate, power of attorney, or any document relating to or affecting the title to the shares.* *Fee on registration of probate, etc.*
134. *The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles as to the reserve fund shall be divisible among the Members in proportion to the number of their existing shares.* *Appropriation of profits.*
135. *The Company in General Meeting may declare a dividend to the Members according to their rights and interests in the profits and may fix the time for payment. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.* *Declaration of Dividend.*
136. (1) *Whenever the Company in General Meeting has resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary shares of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:* *Scrip Dividend Scheme.*
- (a) *The basis of any such allotment shall be determined by the Directors;*
- (b) *The Directors shall determine the manner in which members shall be entitled to elect to receive an allotment*

of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members, (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article 136;

- (c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded PROVIDED THAT the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and*
 - (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect of which the right of election has been duly exercised (the "Elected Ordinary Shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the Elected Ordinary Shares on the basis of allotment determined as aforesaid and for such purpose (notwithstanding the provisions of the Articles to the contrary), the Directors shall:*
 - (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis, or*
 - (ii) apply the sum which would otherwise have been payable in cash to the holders of the Elected Ordinary Shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the Elected Ordinary Shares on such basis.*
- (2) (a) The ordinary shares allotted pursuant to the provisions of paragraph (1) of this Article 136 shall rank pari passu in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the*

subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

- (b) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Article 136, with full power to make such provisions as they think fit in the case of fractional entitlements to shares (including, notwithstanding any provision to the contrary in these Articles, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the Members).*
- (3) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article 136, determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit.*
- (4) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article 136, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore and if they have not supplied CDP or the Company (as the case may be) addresses in Singapore for the service of notices or documents or to such other Members or class of members as the Directors may in their sole discretion decide and in such event the only entitlements of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.*
- (5) Notwithstanding the foregoing provisions of this Article 136, if at any time after the Directors' resolution to apply the provisions of paragraph (1) of this Article 136 in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstances (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and as they deem fit in the interest of the Company, cancel the proposed application of paragraph (1) of this Article 136.*

137. *The Company may by Ordinary Resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Directors. No dividend shall carry interest. Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise provided by the Act:—* *Dividends payable out of profits.*
- (a) *all dividends in respect of shares must be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and*
- (b) *all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.*
- For the purposes of this Article, an amount paid or credited as paid on a share in advance of a call is to be ignored.*
138. *The declaration of the Directors as to the net profits of the Company shall be conclusive.* *Declaration conclusive.*
139. *If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed preferential dividends on any class of shares carrying a fixed preferential dividend expressed to be payable on fixed date on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they think fit.* *Payment of preference and interim dividend.*
140. *The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of or in connection with calls due or payable.* *Deduction of debts due to Company.*
141. *The Directors may retain any dividends on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities, or engagements in respect of which the lien exists.* *Debts may be deducted.*
142. *A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer or the entry of the transfer in the Depository Register, as the case may be.* *Effect of transfer.*

143. Any General Meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets, and in particular, of wholly or partly paid-up shares, debentures, or debenture stock of the Company, or wholly or partly paid-up shares, debentures, or debentures stock of any other company, or in any one or more of such ways, and the Directors shall give effect to such resolution; and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient, and in particular, may issue fractional certificates, and may fix the value for distribution of such specific assets, or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed, in order to adjust the rights of all parties, and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Directors. Where requisite, a proper contract shall be filed in accordance with Section 61 of the Act, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend, and such appointment shall be effective. *Dividend in specie.*
144. The Company may retain the dividends payable upon shares or any part thereof in respect of which any person is, under Article 56, entitled to become entered in the Register or the Depository Register, as the case may be, as a Member, or which any person under that Article is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same. *Power to retain dividends.*
145. In case several persons are jointly Members in respect of any shares, any one of such persons may give effectual receipts for dividends and payment on account of dividends in respect of such shares. *Any joint Member may give receipt.*
146. Unless otherwise directed, any dividend may be paid by cheque, warrant or Post Office Order, sent through the post to the address of the Member entitled appearing in the Register or the Depository Register, as the case may be, or in the case of a joint Member to that one whose name shall stand first on the Register or the Depository Register, as the case may be, in respect of the joint shareholding, and every cheque, warrant or Post Office Order so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be responsible for the loss of any cheque, dividend warrant, or Post Office Order, which shall be sent by post duly addressed to the Member for whom it is intended. The payment by the Company to CDP of any dividend payable or distribution due to a Depositor shall, to the extent of the payment or distribution made, discharge the Company from any liability in respect of that payment or distribution. *Payment by post.*

147. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of 1 year from the date of declaration of such dividend may be forfeited and if so shall revert to the Company. For the avoidance of doubt, no Member shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends, whatsoever and howsoever arising.” *Unclaimed dividends.*

(c) Rights in Respect of Voting

“69. The Directors shall, on the requisition of the Members holding at the date of the deposit of the requisition not less than 10% of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings (excluding treasury shares) of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene an Extraordinary General Meeting of the Company, and in the case of such requisition the following provisions shall have effect :– *Extraordinary Meetings to be called on requisition of Members.*

- (1) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Office, and may consist of several documents in like form each signed by one or more requisitionists;
- (2) If the Directors of the Company do not proceed to cause a meeting to be held within twenty one days from the date of the requisition being so deposited, the requisitionists or any of them representing more than one-half of the voting rights of all of them may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit;
- (3) In the case of a meeting at which a resolution is to be proposed as a Special Resolution the meeting shall be deemed not to be duly convened by the Directors if they do not give such notice as is required by the provisions of the Act; and
- (4) Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by Directors.

70. Subject to any requirements of the Act or the listing rules for the giving of notice of resolutions, any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Act) a resolution of which special notice has been given to the Company shall be called by at least twenty-one days’ notice in writing and any Annual General Meeting and any other Extraordinary General Meeting by at least fourteen days’ notice in writing (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day of the meeting for which the notice is given) in the manner hereinafter mentioned to such persons (including the Auditors) as are under the provisions *Notice of Meetings.*

herein contained and the Act entitled to receive notice from the Company and at least fourteen days' notice of such meeting shall be given by one advertisement in the daily press circulating in Singapore and in writing to any Stock Exchange upon which the Company may be listed. PROVIDED THAT a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:—

- (1) in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and
- (2) in the case of an Extraordinary General Meeting by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent of the total voting rights of all the Members having a right to vote at that Meeting.

71. The omission to give any notice to or non-receipt of any such notice by any Member shall not invalidate the General Meeting for which the notice was given or any resolution passed or proceedings at any General Meeting. Omission to give notice.
72. Subject to Article 106, any Member entitled to be present and vote at a General Meeting or his proxy may submit any resolution to any General Meeting PROVIDED THAT at least for the prescribed time before the day appointed for the meeting he shall have served upon the Company a notice in writing by him containing the proposed resolution, and stating his intention to submit the same. The prescribed time abovementioned shall be such that, between the date that the notice is served by the Member and the day appointed for the General Meeting, there shall be not less than seven nor more than fourteen intervening days. Members may submit resolution to meeting on giving notice to Company.
73. Upon receipt of any such notice in accordance with the conditions as mentioned in the last preceding Article mentioned, the Secretary shall include in the notice of the General Meeting in any case where the notice of intention is received before the notice of the General Meeting is issued, and shall in any other case (save as provided in Article 106) issue as quickly as possible to the Members notice that such resolution will be proposed. Secretary to give notice to Members.
75. Except at any time when a corporation is the sole Member, two Members present in person or by proxy shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the business. For the purposes of this Article, "Member" includes a person attending as a proxy. A corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of Article 88. Quorum.

76. *If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be a quorum.* If quorum not present.
78. *The chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Whenever any meeting is adjourned for fourteen days or more, at least three days' notice of the place and hour of such adjourned meeting shall be given as in the case of the original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.* Power to adjourn.
79. *At every General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands by the Members present in person or by proxy and entitled to vote, unless before or upon the declaration of the result of the show of hands a poll be demanded (a) by the chairman of the meeting or (b) by any two Members present in person or by proxy, and entitled to vote at the meeting, or (c) by a Member or Members present in person or by proxy representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting or (d) by a Member or Members holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right (excluding treasury shares). Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has been carried, or has been carried unanimously or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution. A demand for a poll may be withdrawn.* How matters to be decided.
80. *Without prejudice to the aforesaid, on a poll, a person entitled to more than one vote need not use all his votes or cast all his votes he uses in the same way.* Utilisation of the vote.
81. *If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting directs, and the results of the poll shall be deemed to be the Resolution of the meeting at which the poll was demanded. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question on which a poll has been demanded.* Chairman's direction as to poll.

82. *In case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, as the case may be, shall have a second or casting vote.* *In the event of equality of votes.*
83. *No poll shall be demanded on the election of a chairman of a meeting or on a question of adjournment. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.* *Poll on election of Chairman.*
84. *If:—* *Error in the counting of votes.*
- (a) *any objection shall be raised as to the qualification of any voter; or*
- (b) *any votes have been counted which ought not to have been counted or which might have been rejected; or*
- (c) *any votes are not counted which ought to have been counted,*
- the objection or error shall not vitiate the decision of the meeting on any resolution unless the same is raised or pointed out at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.*
85. *Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 18 each Member entitled to vote may vote in person or by proxy, attorney or representative. A proxy, attorney or representative need not be a Member of the Company. On a show of hands every Member who is present in person or by proxy, attorney or representative shall have one vote (provided that in the case of a Member who is represented by two proxies, only one of the two proxies as determined by that Member or, failing such determination, by the chairman of the Meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands) and on a poll, every Member who is present in person or by proxy, attorney or representative shall have one vote for every share which he holds or represents. For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy, attorney or representative may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the CDP register as at 48 hours before the time for the relevant General Meeting as certified by CDP to the Company. Every member shall be entitled to be present and to vote at any General Meeting either personally or by proxy,* *Voting rights.*

attorney or representative and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.

86. *In the case of joint Members any of such Member may vote but if more than one such Member is present at the meeting, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Members; and for this purpose seniority shall be determined by the order in which the names stand in the Register or the Depository Register, as the case may be. Where there are several executors or administrators of a deceased Member in whose sole name any shares stand, any one of such executors or administrators may vote in respect of such shares unless any other of such executors or administrators is present at the meeting at which such a vote is tendered and objects to the vote.* Right of joint Members.
87. *A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by the committee, curator bonis, or other person in the nature of committee or curator bonis appointed by that Court, and any such committee, curator bonis, or other person may, on a show of hands or on a poll, vote by proxy. PROVIDED THAT such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting.* Votes of Members of unsound mind.
88. *Any corporation which is a Member may, by resolution of its Directors, authorize any person to act as its representative at any meetings of the Company; and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual shareholder and such corporation shall for the purpose of these Articles (but subject to the Act) be deemed to be present in person at any such Meeting if a person so authorised is present thereat.* Corporation may attend by representative.
89. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal, or under the hand of an official or attorney duly authorised. An instrument of proxy shall not, unless the Directors in their absolute discretion determine otherwise, be required to be witnessed.* Execution of proxy and deposit of proxy.

90. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of the power or authority shall, if required by law, be duly stamped and deposited at the Office, not less than 48 hours before the time for holding the meeting, or adjourned meeting, at which the person named in the instrument proposes to vote, and in default the instrument of proxy or attorney shall not be treated as valid.* Authority to sign instrument of proxy to be deposited with Company.
91. *A Member may appoint not more than two proxies to attend and vote at the same General Meeting. In the event that a member has appointed more than one proxy, only one proxy is counted in determining the quorum. A Member appointing more than one proxy shall specify the proportion of shares to be represented by each proxy and if no proportion is specified, the first named proxy shall be deemed to represent 100 per cent. (100%) of the shareholding and the second named proxy shall be deemed to be an alternate to the first named. An instrument appointing a proxy shall be in such form as the Directors may from time to time approve. The Company shall be entitled (i) to reject any instrument of proxy executed by a Depositor if the Depositor's name does not appear in the Depository Register 48 hours prior to the commencement of the relevant General Meeting as certified by CDP to the Company, and (ii) for the purpose of a poll, to treat an instrument of proxy executed by a Depositor as representing the number of shares equal to the number of shares appearing against his name in the Depository Register referred to in (i) above, notwithstanding the number of shares actually specified in the relevant instrument of proxy.* Appointment of proxies.
92. *A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or transfer of the share in respect of which the vote is given PROVIDED THAT no notice in writing of the death or revocation or transfer shall have been received at the Office at least 48 hours before the time fixed for holding the meeting.* When vote by proxy valid though authority revoked.
93. *The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll to move any resolution or amendment thereto and to speak at the Meeting.* Instrument deemed to confer authority to demand for poll.
94. *Where the capital of the Company consists of shares of different monetary denominations, voting rights may, at the discretion of the Board, be prescribed in such manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable."* Voting in respect of shares of different monetary denominations.

3.3 Convertible Instruments. As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, Shares or which carry voting rights affecting shares in the Company.

4. DISCLOSURE OF INTERESTS

4.1 Interests of Company in Offeror Shares. Neither the Company nor its subsidiaries has any interest, direct or indirect, in the Offeror Shares as at the Latest Practicable Date.

4.2 Dealings in Offeror Shares by Company. Neither the Company nor its subsidiaries has dealt in the Offeror Shares during the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

4.3 Interests of Directors in Offeror Shares. None of the Directors has any direct or indirect interests in the Offeror Shares as at the Latest Practicable Date.

4.4 Dealings in Offeror Shares by Directors. None of the Directors has dealt in the Offeror Shares during the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

4.5 Interests of Directors in Shares. Save as disclosed below, none of the Directors has an interest, direct or indirect, in the Shares as at the Latest Practicable Date.

Name	Interests in Shares			
	Direct		Deemed	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
John Gokongwei, Jr. ⁽²⁾	—	—	331,448,384	80.36
Lim Hock San ⁽³⁾	340,000	0.08	—	—
Gwee Lian Kheng ⁽⁴⁾	—	—	80,000	0.02

Notes:

⁽¹⁾ Based on 412,477,559 Shares as at the Latest Practicable Date.

⁽²⁾ John Gokongwei, Jr. is deemed to have an interest in the 331,448,384 Shares by virtue of his interest of no less than 20 per cent. of the voting shares in JG Summit Holding Inc, the holding company of JG Summit Philippines Limited, which in turn is the holding company of Telegraph Developments Limited (“**Telegraph**”). By virtue of Telegraph’s interest in UIC’s shares, Telegraph has a deemed interest in the 331,448,384 Shares. As such, John Gokongwei, Jr. is deemed to have an interest in the 331,448,384 Shares.

⁽³⁾ The 340,000 Shares, in which Lim Hock San has an interest, were pledged to financial institutions.

⁽⁴⁾ Gwee Lian Kheng is deemed to be interested in 30,000 Shares held by his spouse, Low Rowee, and 50,000 Shares held by Melda Investment Pte Ltd, a company which his spouse has a controlling interest in.

4.6 Dealings in Shares by Directors. Save as disclosed below, none of the Directors has dealt in the Shares during the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

Name	Date	No. of Shares Acquired	No. of Shares Sold / Transferred	Transaction Price Per Share (S\$)	Nature of Transaction
John Gokongwei, Jr. ⁽¹⁾	12.09.2013	397,000	—	8.90	Shares purchased by UIC Enterprise Pte Ltd via an off-market transaction

Note:

⁽¹⁾ John Gokongwei, Jr. is deemed to have an interest in the 397,000 Shares purchased by UIC Enterprise Pte Ltd via an off-market transaction.

4.7 Interests of IFA in Shares. None of ANZ, its related corporations or funds whose investments are managed by ANZ or its related corporations on a discretionary basis, owns or controls any Shares as at the Latest Practicable Date.

4.8 Dealings in Shares by IFA. None of ANZ, its related corporations or funds whose investments are managed by ANZ or its related corporations on a discretionary basis, has dealt for value in the Shares during the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

4.9 Accepting or Rejecting the Offer. Lim Hock San holds 340,000 Shares, which represents approximately 0.08 per cent. of the total issued Shares as at the Latest Practicable Date. Lim Hock San has informed the Company that as at the Latest Practicable Date, he has accepted the Offer in respect of 190,000 Shares held by him, and will be accepting the Offer in respect of the remaining 150,000 Shares held by him.

5. OTHER DISCLOSURES

5.1 Directors' Service Contracts. There are no service contracts between any Director or proposed Director with the Company or any of its subsidiaries with more than 12 months to run and which cannot be terminated by the employing company within the next 12 months without paying any compensation. In addition, there are no service contracts entered into or amended between any Director or proposed Director, with the Company during the period commencing six months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

5.2 No Payment or Benefit to Directors. It is not proposed, in connection with the Offer, that any payment or other benefit be made or given to any Director or to any director of any other corporation which is, by virtue of Section 6 of the Companies Act, deemed to be related to the Company as compensation for loss of office or otherwise in connection with the Offer.

5.3 No Agreement Conditional upon Outcome of Offer. Save for the making of the Offer by the Offeror, there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Offer.

5.4 Material Contracts entered into by Offeror. Save for the making of the Offer by the Offeror, there are no material contracts entered into by the Offeror in which any Director has a material personal interest, whether direct or indirect.

6. FINANCIAL INFORMATION ON THE GROUP

Set out below is certain financial information extracted from the annual reports of the Company for FY2010, FY2011 and FY2012 and from the unaudited consolidated financial statements of the Group for the 12 months ended 31 December 2013 respectively. The financial information for FY2010, FY2011 and FY2012 should be read in conjunction with the audited consolidated financial statements of the Group and the accompanying notes as set out in the annual reports of the Company for FY2010, FY2011 and FY2012 and the financial information for the 12 months ended 31 December 2013 should be read in conjunction with the unaudited financial statements of the Group for the 12 months ended 31 December 2013 and the accompanying notes as set out in the financial statements.

	Unaudited 12 months ended 31 December 2013 S\$'000	Audited FY2012 S\$'000	Audited FY2011 S\$'000 (restated)	Audited FY2010 S\$'000 (restated)
Revenue	453,983	580,602	615,296	527,162
Fair value gains on investment properties	158,233	165,373	126,372	538,530
Profit before tax	458,619	493,682	446,929	853,845
Net profit	429,537	456,690	405,845	810,147
Non-controlling Interests	90,332	49,586	52,253	43,112
Net profit after tax and non-controlling Interests	339,205	407,104	353,592	767,035
Net earnings per Share (cents)	82.2	98.7	85.7	186.0

Set out below is also a summary of the dividend per Share declared in respect of each of FY2010, FY2011 and FY2012 and the dividend proposed and recommended for the 12 months ended 31 December 2013 by the Company. This information was extracted from the annual reports of the Company for FY2010, FY2011, FY2012 and the unaudited consolidated financial statements of the Group for the 12 months ended 31 December 2013.

	Cents
In respect of the 12 months ended 31 December 2013	20
In respect of FY2012	20
In respect of FY2011	20
In respect of FY2010	20

A copy of the balance sheet of the Group as at 31 December 2011 and 31 December 2012 which is extracted from the Group's audited consolidated financial statements for FY2012 is set out in **Appendix 3** to this Circular. The balance sheet of the Group as at 31 December

2011 and 31 December 2012 respectively should be read in conjunction with the audited consolidated financial statements of the Group for FY2012 and the accompanying notes as set out in the financial statements.

Copies of the audited financial statements of the Group for FY2010, FY2011 and FY2012 and the unaudited consolidated financial statements of the Group for the 12 months ended 31 December 2013 are available for inspection at the registered office of the Company at 24 Raffles Place, #22-01/06 Clifford Centre, Singapore 048621 during normal business hours for the period for which the Offer remains open for acceptance.

7. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save as disclosed in the unaudited consolidated financial statements of the Group for the 12 months ended 31 December 2013 and any other information on the Group which is publicly available (including without limitation, the announcements released by the Group on the SGX-ST), there have been no material changes to the financial position of the Group since 31 December 2012, being the date of the last audited accounts of the Group laid before the Shareholders in general meeting.

8. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of the Group which are disclosed in Note 2 of the audited consolidated financial statements of the Group for FY2012 are reproduced in **Appendix 4** to this Circular.

9. CHANGES IN ACCOUNTING POLICIES

The changes in the significant accounting policies of the Group are set out in the extract of the significant accounting policies of the Group in **Appendix 4** to this Circular. Save as aforesaid, at the Latest Practicable Date, there is no change in the accounting policies of the Group which will cause the figures disclosed in this Circular not to be comparable to a material extent.

10. MATERIAL CONTRACTS

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries have entered into any material contracts with interested persons (other than those entered into in the ordinary course of business) during the period commencing three years before the Offer Announcement Date and ending on the Latest Practicable Date.

11. MATERIAL LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries are engaged in any material litigation as plaintiff or defendant which might materially and adversely affect the financial position of the Group as a whole. The Directors are not aware of any proceedings pending or threatened against the Company or any of its subsidiaries or of any facts likely to give rise to any proceedings which might materially or adversely affect the financial position of the Group taken as a whole.

12. GENERAL

12.1 Costs and Expenses. All expenses and costs incurred by the Company in relation to the Offer will be borne by the Company.

12.2 Consent of the IFA. ANZ has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and its letter dated 18 March 2014 relating to its advice to the Independent Director in respect of the Offer and references thereto, in the form and context in which they appear in this Circular.

12.3 Consent of DTZ Debenham Tie Leung (SEA) Pte Ltd. DTZ Debenham Tie Leung (SEA) Pte Ltd has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and its valuation report and references to its name in the form and context in which it appears in this Circular.

12.4 Consent of Knight Frank Pte. Ltd.. Knight Frank Pte. Ltd. has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and its valuation report and references to its name in the form and context in which it appears in this Circular.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company at 24 Raffles Place, #22-01/06 Clifford Centre, Singapore 048621, during normal business hours for the period which the Offer remains open for acceptance:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the annual reports of the Company for FY2010, FY2011 and FY2012;
- (c) the unaudited consolidated financial results for the 12 months ended 31 December 2013;
- (d) the IFA Letter;
- (e) the respective valuation reports from DTZ Debenham Tie Leung (SEA) Pte Ltd and Knight Frank Pte. Ltd.; and
- (f) the letters of consent referred to in **Section 12** above.

INFORMATION ON UIC AND THE OFFEROR

1. UIC AND THE OFFEROR

The following information on UIC and the Offeror has been extracted from the Offer Document. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

“APPENDIX I – ADDITIONAL INFORMATION ON UIC

1. DIRECTORS OF UIC

The name, address and description of the Directors of UIC as at the Latest Practicable Date are as follows:

<i>Name</i>	<i>Address</i>	<i>Designation</i>
<i>Wee Cho Yaw</i>	<i>2 Jalan Asuhan Singapore 299323</i>	<i>Non-executive chairman</i>
<i>John Gokongwei, Jr.</i>	<i>33rd Floor Galleria Regency Condominium Ortigas Avenue Cor., ADB Avenue, Quezon City, Philippines</i>	<i>Non-executive deputy chairman</i>
<i>Lim Hock San</i>	<i>10 Peirce Road Singapore 248529</i>	<i>President and Chief Executive Officer</i>
<i>Antonio L. Go</i>	<i>168 Tagore Lane Singapore 787574</i>	<i>Non-executive and independent director</i>
<i>James L. Go</i>	<i>Laguna Unit, Sky 3, Level 44, 1 Roxas Triangle, Paseo De Roxas Corner Cruzada St., Makati City, Philippines</i>	<i>Non-executive director</i>
<i>Lance Yu Gokongwei</i>	<i>517 Senator Gil, Puyat Avenue, Extension North Forbes Park, Makati City, Philippines</i>	<i>Non-executive director</i>
<i>Gwee Lian Kheng</i>	<i>245 Orchard Boulevard #17-03 Orchard Bel Air Singapore 248648</i>	<i>Non-executive director</i>
<i>Hwang Soo Jin</i>	<i>55 Cairnhill Road #21-04 Cairnhill Plaza Singapore 229666</i>	<i>Non-executive and independent director</i>

Name	Address	Designation
Wee Ee Lim	6 Camden Park Camden Park Singapore 299796	Non-executive director
Yang Soo Suan	997 Bukit Timah Road #02-05 Casa Esperanza Singapore 589633	Non-executive and independent director
Yeo Khirn Hai Alvin	8 Belmont Road Singapore 269856	Non-executive and independent director

2. REGISTERED OFFICE OF UIC

The registered office of UIC is at 24 Raffles Place, #22-01/06, Clifford Centre, Singapore 048621.

3. PRINCIPAL ACTIVITIES OF UIC

The principal activity of UIC is that of an investment holding company. The principal activities of the UIC Group consist of development of properties for investment and trading, investment holding, property management, investment in hotels and retail centres, trading in computers and related products, and provision of information technology services.”

“APPENDIX II – ADDITIONAL INFORMATION ON THE OFFEROR

1. DIRECTORS OF THE OFFEROR

The name, address and description of the Directors of the Offeror as at the Latest Practicable Date are as follows:

Name	Address	Designation
Donald Quek Jee Kwee	8 Marine Terrace #09-202 Singapore 440008	Director
Loy Chee Chang	6 Stevens Drive #03-03 Singapore 257902	Director

2. REGISTERED OFFICE OF THE OFFEROR

The registered office of the Offeror is at 24 Raffles Place, #22-01/06, Clifford Centre, Singapore 048621.

3. PRINCIPAL ACTIVITIES OF THE OFFEROR

The principal activity of the Offeror is that of an investment holding company.”

2. HOLDINGS AND DEALINGS IN THE SHARES

The following information on the holdings of, and dealings in, the Shares by the Offeror and certain parties acting in concert with it is extracted from the Offer Document. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document:

“APPENDIX IV – ADDITIONAL GENERAL INFORMATION

1. DISCLOSURE OF INTERESTS

- (a) As at the Latest Practicable Date, save as disclosed below, none of UIC, the Offeror, the Directors of UIC, the Directors of the Offeror or any of the parties acting or deemed to be acting in concert with the Offeror owns, controls or has agreed to acquire any (i) securities which are being offered for (i.e., the Shares) or which carry voting rights in the Company, or (ii) Convertible Securities, Warrants, Options or Derivatives in respect of (i) (collectively, the “**Company Securities**”):

	No. of Shares	% ⁽¹⁾
Offeror	245,652,688	59.56
UIC Development (Private) Limited	85,643,196	20.76
UIC Investment Pte Ltd	152,500	0.04
UIC	331,448,384 ⁽²⁾	80.36
UOL Group Limited	331,448,384 ⁽³⁾	80.36
UOL Equity Investments Pte Ltd	331,448,384 ⁽⁴⁾	80.36
Telegraph Developments Limited	331,448,384 ⁽⁵⁾	80.36
JG Summit Philippines Limited	331,448,384 ⁽⁶⁾	80.36
JG Summit Holdings, Inc.	331,448,384 ⁽⁷⁾	80.36
John Gokongwei, Jr.	331,448,384 ⁽⁸⁾	80.36
Lim Hock San	340,000 ⁽⁹⁾	0.08
Gwee Lian Kheng	80,000 ⁽¹⁰⁾	0.02
Gwee Pek Hoon	5,000 ⁽¹¹⁾	0.001
Quek Jee Lan	1,000 ⁽¹²⁾	0.0002
Wee Wei Ling	52,000 ⁽¹³⁾	0.01
Kwek Cheng Kim	2,000 ⁽¹⁴⁾	0.0005
Foo Thiam Fong Wellington	2,000 ⁽¹⁵⁾	0.0005
Tan Tiong Cheng	20,000 ⁽¹⁶⁾	0.005
Chong Kee Hiong	50,000 ⁽¹⁷⁾	0.01

Notes:

⁽¹⁾ Based on 412,477,559 Shares as at the Latest Practicable Date.

⁽²⁾ UIC is deemed to be interested in the 331,448,384 Shares held by three (3) of its wholly-owned subsidiaries, namely, the Offeror (245,652,688 Shares), UIC Development (Private) Limited (85,643,196 Shares) and UIC Investment Pte Ltd (152,500 Shares).

⁽³⁾ By virtue of UOL Group Limited’s interest in UIC’s shares, UOL Group Limited has a deemed interest in the 331,448,384 Shares held by the UIC Group.

⁽⁴⁾ By virtue of UOL Equity Investments Pte Ltd’s interest in UIC’s shares, UOL Equity Investments Pte Ltd has a deemed interest in the 331,448,384 Shares held by the UIC Group.

⁽⁵⁾ By virtue of Telegraph Development Limited’s (“**Telegraph**”) interest in UIC’s shares, Telegraph has a deemed interest in the 331,448,384 Shares held by the UIC Group.

⁽⁶⁾ By virtue of JG Summit Philippines Limited being the holding company of Telegraph and Telegraph’s deemed interest in the 331,448,384 Shares held by the UIC Group, JG Summit Philippines Limited is deemed to have an interest in the 331,448,384 Shares held by the UIC Group.

- ⁽⁷⁾ By virtue of JG Summit Holding Inc being the holding company of JG Summit Philippines Limited, which in turn is the holding company of Telegraph and Telegraph's deemed interest in the 331,448,384 Shares held by the UIC Group, JG Summit Holding Inc is deemed to have an interest in the 331,448,384 Shares held by the UIC Group.
- ⁽⁸⁾ John Gokongwei, Jr. is deemed to have an interest in the 331,448,384 Shares held by the UIC Group by virtue of his interest of no less than 20% of the voting shares in JG Summit Holding Inc, the holding company of JG Summit Philippines Limited, which in turn is the holding company of Telegraph. By virtue of Telegraph's interest in UIC's shares, Telegraph has a deemed interest in the 331,448,384 Shares held by the UIC Group. As such, John Gokongwei, Jr. is deemed to have an interest in the 331,448,384 Shares held by the UIC Group.
- ⁽⁹⁾ The 340,000 Shares, which Lim Hock San has an interest, were pledged to financial institutions.
- ⁽¹⁰⁾ Gwee Lian Kheng is deemed to be interested in 30,000 Shares held by his spouse, Low Rowee, and 50,000 Shares held by Melda Investment Pte Ltd, a company which his spouse has a controlling interest in.
- ⁽¹¹⁾ Gwee Pek Hoon is the sister of Gwee Lian Kheng, a Director of UIC. Pursuant to the Code, Gwee Pek Hoon is presumed to be a party acting in concert with the Offeror.
- ⁽¹²⁾ Quek Jee Lan is the sister of Donald Quek Jee Kwee, a Director of the Offeror. Pursuant to the Code, Quek Jee Lan is presumed to be a party acting in concert with the Offeror.
- ⁽¹³⁾ Wee Wei Ling is the daughter of Wee Cho Yaw, a Director of UIC. Pursuant to the Code, Wee Wei Ling is presumed to be a party acting in concert with the Offeror.
- ⁽¹⁴⁾ Kwek Cheng Kim is the wife of Ng Seng Tat, a director of a subsidiary of UIC. Pursuant to the Code, Kwek Cheng Kim is presumed to be a party acting in concert with the Offeror.
- ⁽¹⁵⁾ Foo Thiam Fong Wellington is a director of an associated company of UIC. Pursuant to the Code, Foo Thiam Fong Wellington is presumed to be a party acting in concert with the Offeror.
- ⁽¹⁶⁾ Tan Tiong Cheng is a director of UOL Group Limited. Pursuant to the Code, Tan Tiong Cheng is presumed to be a party acting in concert with the Offeror.
- ⁽¹⁷⁾ Chong Kee Hiong is a director of an associated company of UIC. Pursuant to the Code, Chong Kee Hiong is presumed to be a party acting in concert with the Offeror.

- (b) Save as disclosed below, none of UIC, the Offeror, Directors of UIC, Directors of the Offeror or any of the parties acting or deemed to be acting in concert with the Offeror has dealt for value in the Company Securities during the period commencing three (3) months prior to 24 February 2014 (being the Offer Announcement Date) and ending on the Latest Practicable Date:

Name	Date of Transaction	Number of Shares acquired	Transacted Price per Share (S\$)
Wee Wei Ling ⁽¹⁾	2 December 2013	8,000	8.50
Wee Wei Ling ⁽¹⁾	13 December 2013	7,000	8.47
Wee Wei Ling ⁽¹⁾	13 January 2014	7,000	8.35
Wee Wei Ling ⁽¹⁾	17 January 2014	7,000	8.31
Wee Wei Ling ⁽¹⁾	21 January 2014	7,000	8.15
Wee Wei Ling ⁽¹⁾	27 January 2014	6,000	7.91
Wee Wei Ling ⁽¹⁾	4 February 2014	7,000	7.70
Wee Wei Ling ⁽¹⁾	5 February 2014	3,000	7.65

Note:

- ⁽¹⁾ Wee Wei Ling is the daughter of Wee Cho Yaw, a Director of UIC. Pursuant to the Code, Wee Wei Ling is presumed to be a party acting in concert with the Offeror."

In addition, the Offeror issued a clarification announcement on 14 March 2014 disclosing additional information on the holdings of Shares by a certain party presumed to be acting in concert with the Offeror (the “**Clarification Announcement**”). The following additional information on such holdings of Shares is extracted from the Clarification Announcement. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Clarification Announcement:

“2. CLARIFICATION TO INFORMATION IN THE OFFER DOCUMENT

2.1 *Following the despatch of the Offer Document on 10 March 2014, it has come to the attention of the Offeror that Mr. Wee Sin Tho has an interest in the following Shares:*

	No. of Shares	%⁽¹⁾
<i>Wee Sin Tho⁽²⁾</i>	<i>120,000</i>	<i>0.03</i>

Notes:

⁽¹⁾ *Based on 412,477,559 Shares, being the total number of issued Shares as at Latest Practicable Date.*

⁽²⁾ *Wee Sin Tho is a director of UOL Group Limited. Pursuant to the Code, Wee Sin Tho is presumed to be a party acting in concert with the Offeror. Wee Sin Tho holds 100,000 Shares directly and is deemed to be interested in 20,000 Shares held by his spouse, Neo Geok Hua.*

2.2 *Accordingly, the Offeror wishes to clarify that:*

- (a) paragraph 1(a) of Appendix IV (Additional General Information) to the Offer Document should be read in conjunction with the clarification set out in paragraph 2.1 above; and*
- (b) based on information available to the Offeror, approximately 11.32% of the total number of issued Shares are held by members of the public as at the Latest Practicable Date. Accordingly, the reference to the public float in footnote 3 on page 12 of the Offer Document should be read accordingly with the clarification above.”*

3. ADDITIONAL INFORMATION

The following additional information on the Offeror has been extracted from the Offer Document. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document:

- “(c) As at the Latest Practicable Date, no person has given any irrevocable undertaking to the Offeror, or any party acting in concert with it, to accept or reject the Offer.*
- (d) As at the Latest Practicable Date, neither the Offeror nor any party acting in concert with it has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the Shares which may be an inducement to deal or refrain from dealing in the Shares.*
- (e) As at the Latest Practicable Date, there is no agreement, arrangement or understanding between (i) the Offeror or any party acting in concert with it, and (ii) any of the present or recent directors of the Company, or any of the present or recent Shareholders or any other person that is conditional upon, or has any connection with or dependence upon, the Offer.*

- (f) *The Offeror reserves the right to direct or transfer any of the Offer Shares to any of its related corporations. Save as disclosed above, as at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any of the Offer Shares acquired by the Offeror pursuant to the Offer will or may be transferred to any other person.*
- (g) *As at the Latest Practicable Date, there is no agreement, arrangement or understanding for payment or other benefit being made or given to any director of the Company or to any director of any corporation which is by virtue of Section 6 of the Companies Act deemed to be related to the Company, as compensation for loss of office or as consideration for, or in connection with, his retirement from office or otherwise in connection with the Offer.*
- (h) *Save as disclosed in this Offer Document and save for information relating to the Offeror and the Offer that is publicly available, there has been no material change in any information previously published by or on behalf of the Offeror during the period commencing from the Offer Announcement Date and ending on the Latest Practicable Date.*
- (i) *Save as disclosed in paragraph 1(a) above, as at the Latest Practicable Date, none of (i) UIC, (ii) the Offeror, (iii) Directors of UIC, (iv) Directors of the Offeror, (v) UOB (as financial adviser to the Offeror in connection with the Offer), or (vi) any party acting in concert with the Offeror has (A) granted a security interest over any Company Securities to another person, whether through a charge, pledge or otherwise, (B) borrowed from another person any Company Securities (excluding borrowed Company Securities which have been on-lent or sold), or (C) lent any Company Securities to another person.”*

**BALANCE SHEET OF THE GROUP
AS AT 31 DECEMBER 2011 AND 31 DECEMBER 2012**

The audited balance sheet of the Group as at 31 December 2011 and 31 December 2012 has been reproduced from the annual report of the Company for FY2012, save for the reference to the page number which has been altered to conform with the pagination of this Circular, and is set out below.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2012

	Note	2012 \$'000	The Group 2011 \$'000 (restated)	2010 \$'000 (restated)	The Company 2012 \$'000	2011 \$'000
ASSETS						
Non-current assets						
Other receivables	11	156,442	78,164	7,490	461,961	342,195
Available-for-sale financial assets	12	12,045	12,045	12,045	-	-
Investments in associated companies	13	611,694	556,084	423,168	350	350
Investments in joint ventures	14	-	-	-	-	-
Investments in subsidiary companies	15	-	-	-	972,442	972,442
Investment properties	16	4,661,800	4,486,400	4,350,000	-	-
Property, plant and equipment	17	444,134	368,958	381,039	-	-
		5,886,115	5,501,651	5,173,742	1,434,753	1,314,987
Current assets						
Cash and cash equivalents	18	64,345	65,806	84,870	206	243
Properties held for sale	19	419,670	423,903	373,548	-	-
Trade and other receivables	20	74,450	40,232	39,759	235	209
Inventories		947	887	948	-	-
		559,412	530,828	499,125	441	452
Total assets		6,445,527	6,032,479	5,672,867	1,435,194	1,315,439
LIABILITIES						
Current liabilities						
Trade and other payables	21	139,005	212,083	171,258	1,070	1,052
Current income tax liabilities	8	57,837	41,423	41,145	2,030	1,578
Borrowings	22	138,021	236,700	181,607	135,400	180,000
		334,863	490,206	394,010	138,500	182,630
Non-current liabilities						
Trade and other payables	21	43,295	45,703	40,279	225,679	66,145
Borrowings	22	264,000	30,000	104,945	-	-
Deferred income tax liabilities	23	46,588	63,054	55,108	-	-
		353,883	138,757	200,332	225,679	66,145
Total liabilities		688,746	628,963	594,342	364,179	248,775
NET ASSETS		5,756,781	5,403,516	5,078,525	1,071,015	1,066,664
EQUITY						
Capital and reserves attributable to equity holders of the Company						
Share capital	24	840,349	840,349	840,349	840,349	840,349
Reserves		4,281,956	3,968,420	3,685,825	230,666	226,315
		5,122,305	4,808,769	4,526,174	1,071,015	1,066,664
Non-controlling interests		634,476	594,747	552,351	-	-
TOTAL EQUITY		5,756,781	5,403,516	5,078,525	1,071,015	1,066,664

The accompanying notes form an integral part of these financial statements.

SIGNIFICANT ACCOUNTING POLICIES OF THE GROUP FOR FY2012

The significant accounting policies of the Group have been reproduced from the annual report of the Company for FY2012, save for references to page numbers which have been altered to conform with the pagination of this Circular, and are set out below.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”) under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Interpretations and amendments to published standards effective in 2012

On 1 January 2012, the Group adopted the new or amended FRS and Interpretations to FRS (“INT FRS”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and Company and had no effect on the amounts reported for the current or prior financial years, except as disclosed below.

The Group has adopted the amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on 1 January 2012. The amended FRS 12 has introduced a presumption that an investment property measured at fair value is recovered entirely by sale. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012 with early adoption permitted.

Previously, the Group accounted for deferred tax on fair value gains on investment property on the basis that the asset would be recovered through use. Upon adoption of the amendment, such deferred tax is measured on the basis of recovery through sale.

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2012 (continued)

The effects on adoption are as follows:

	Increase/(Decrease)		
	2012	2011	2010
	\$'000	\$'000	\$'000
<u>Consolidated statement of financial position</u>			
<u>as at 31 December:</u>			
Investments in associated companies	29,246	21,494	18,785
Deferred income tax liabilities	(462,548)	(434,435)	(412,952)
Retained earnings	456,996	424,959	402,095
Non-controlling interests	34,798	30,970	29,642
<u>Consolidated income statement for the</u>			
<u>financial year ended 31 December:</u>			
Share of results of associated companies	7,752	2,709	
Income tax expense	(28,113)	(21,483)	
Non-controlling interests	3,828	1,328	
<u>Basic and diluted earnings per share for the</u>			
<u>financial year ended 31 December</u>			
(cents per share)	7.8 cents	5.5 cents	

2.2 Revenue recognition

Revenue comprises the fair value of consideration received or receivable for the sale of goods and rendering of services, net of goods and services tax, rebates and discounts after eliminating revenue within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectibility of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) *Rental income*

Rental income from operating leases (net of any incentives given to the lessees) on investment properties is recognised on a straight-line basis over the lease term.

(b) *Revenue on sale of properties held for sale*

Revenue from sale of properties held for sale in respect of sale and purchase agreements entered into prior to completion of construction is recognised when the properties are delivered to the buyers, except for in cases where the control and risk and rewards of the property are transferred to the buyers as construction progresses.

2. Significant accounting policies (continued)

2.2 Revenue recognition (continued)

(b) Revenue on sale of properties held for sale (continued)

For sales of uncompleted residential properties made with a Normal Payment Scheme feature in Singapore, the transfer of significant risks and rewards of ownership occurs in the current state as construction progresses. Revenue is recognised by reference to the stage of completion using the percentage of completion method, determined by the level of construction costs incurred as a proportion of the estimated total construction costs to completion.

For sales of overseas development properties and Singapore residential properties made with a Deferred Payment Scheme feature, such transfer generally occurs when the property units are completed and delivered to the purchasers. Revenue is recognised upon completion of construction.

(c) Revenue from hotel operations

Revenue from the rental of hotel rooms and other facilities is recognised when the services are rendered. Revenue from the sale of food and beverage is recognised when the goods are delivered to the customer.

(d) Property services fees

Property services fees are recognised when the services are rendered.

(e) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

(g) Car parking income

Car parking income is recognised on a straight-line basis based on time proportion.

2.3 Group accounting

(a) Subsidiary companies

(i) Consolidation

Subsidiary companies are entities over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to the majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiary companies are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

2. Significant accounting policies (continued)

2.3 Group accounting (continued)

(a) *Subsidiary companies* (continued)

(i) *Consolidation* (continued)

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary company attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary company, even if this results in the non-controlling interests having a deficit balance.

(ii) *Acquisitions*

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary company or business comprises of the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary company.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (i) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (ii) fair value of the identifiable net assets acquired is recorded as goodwill. If those amounts are less than the fair value of the identifiable net assets of the subsidiary company acquired and the measurement of all amounts have been reviewed, the difference is recognised directly in the income statement as a bargain purchase. Please refer to the paragraph "Goodwill on acquisitions" for the subsequent accounting policy on goodwill.

2. Significant accounting policies (continued)

2.3 Group accounting (continued)

(a) Subsidiary companies (continued)

(iii) Disposals

When a change in the Group ownership interest in a subsidiary company results in a loss of control over the subsidiary company, the assets and liabilities of the subsidiary company including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to the income statement or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in the income statement.

Please refer to the paragraph “Investments in subsidiary and associated companies, and joint ventures” for the accounting policy on investments in subsidiary companies in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group’s ownership interest in a subsidiary company that do not result in a loss of control over the subsidiary company are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in retained earnings within equity attributable to the equity holders of the Company.

(c) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Joint ventures are entities over which the Group has contractual arrangements to jointly share control over the economic activity of the entities with one or more parties. Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associate/joint venture over the Group’s share of the fair value of the identifiable net assets of the associate/joint venture and is included in the carrying amount of the investments.

2. Significant accounting policies (continued)

2.3 Group accounting (continued)

(c) Associated companies and joint ventures (continued)

(ii) Equity method of accounting

In applying the equity method of accounting, the Group's share of its associated companies' and joint ventures' post-acquisition profits or losses are recognised in the income statement and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies and joint ventures are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations to make or has made payments on behalf of the associated company or joint venture.

Unrealised gains on transactions between the Group and its associated companies and joint ventures are eliminated to the extent of the Group's interest in the associated companies and joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of associated companies and joint ventures to ensure consistency of accounting policies with those of the Group.

(iii) Disposals

Investments in associated companies and joint ventures are derecognised when the Group loses significant influence and joint control respectively. Any retained equity interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost and its fair value is recognised in the income statement.

Please refer to the paragraph "Investments in subsidiary and associated companies, and joint ventures" for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

2.4 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Significant accounting policies (continued)

2.4 Property, plant and equipment (continued)

(b) Depreciation

Renovations in progress is not depreciated. Depreciation is calculated using the straight-line method to allocate the depreciable amounts of property, plant and equipment over their estimated useful lives as follows:

Leasehold land and building	93 years
Plant and machinery	10-15 years
Furniture, fittings and office equipment	5-13 years
Motor vehicles	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognised in the income statement when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the income statement when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the income statement.

2.5 Goodwill on acquisitions

Goodwill on acquisitions of subsidiary companies and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

Goodwill on subsidiary companies is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiary and associated companies, and joint ventures include the carrying amount of goodwill relating to the entity sold.

2. Significant accounting policies (continued)

2.6 Borrowing costs

Borrowing costs are recognised in the income statement using the effective interest method except for those costs that are directly attributable to the construction or development of properties. This includes those costs on borrowings acquired specifically for the construction or development of properties, as well as those in relation to general borrowings used to finance the construction or development of properties.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the properties held for sale and investment properties. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.7 Properties held for sale

Properties held for sale are those which are intended for sale in the ordinary course of business. Properties held for sale which are unsold are carried at the lower of cost and estimated net realisable value. Cost of properties held for sale includes land, construction and related development costs and interest on borrowings obtained to finance the purchase and construction of the properties. Net realisable value represents the estimated selling price in the ordinary course of business less costs to complete the development and selling expenses.

Singapore properties held for sale under the Normal Payment Scheme are stated at cost plus attributable profits/losses less progress billings. Progress billings not yet paid by customers are included within "trade and other receivables". Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as due to customers on development projects, under "trade and other payables". When it is probable that the total development costs will exceed the total revenue, the expected loss is recognised as an expense immediately.

Singapore properties held for sale under the Deferred Payment Scheme and overseas properties held for sale are stated at cost and payments received from purchasers prior to completion are included in current liabilities as "monies received in advance".

2.8 Investment properties

Investment properties of the Group, principally comprising office buildings, are held for long-term rental yields and capital appreciation. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recognised at cost and subsequently carried at fair value, representing the open market value determined by independent professional valuers. Changes in fair values are recognised in the income statement.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised. The cost of maintenance, repairs and minor improvement is recognised in the income statement when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in the income statement.

2. Significant accounting policies (continued)

2.9 Investments in subsidiary and associated companies, and joint ventures

Investments in subsidiary and associated companies, and joint ventures are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments the difference between disposal proceeds and the carrying amounts of the investments are recognised in the income statement.

2.10 Impairment of non-financial assets

(a) *Goodwill*

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) *Intangible assets*

Property, plant and equipment

Investments in subsidiary and associated companies, and joint ventures

Intangible assets, property, plant and equipment and investments in subsidiary and associated companies, and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the income statement, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

2. Significant accounting policies (continued)

2.10 Impairment of non-financial assets (continued)

(b) Intangible assets

Property, plant and equipment

Investments in subsidiary and associated companies, and joint ventures (continued)

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in the income statement, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in the income statement.

2.11 Financial assets

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity, and available-for-sale. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and in the case of assets classified as held-to-maturity, re-evaluates this designation at each statement of financial position date.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the statement of financial position date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the statement of financial position date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" and "cash and cash equivalents" on the statement of financial position.

2. Significant accounting policies (continued)

2.11 Financial assets (continued)

(a) *Classification* (continued)

(iii) *Held-to-maturity financial assets*

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. They are presented as non-current assets, except for those maturing within 12 months after the statement of financial position date which are presented as current assets.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the statement of financial position date.

(b) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in the income statement. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to the income statement.

(c) *Initial measurement*

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit and loss are recognised immediately as expenses.

(d) *Subsequent measurement*

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in the income statement when the changes arise.

2. Significant accounting policies (continued)

2.11 Financial assets (continued)

(d) *Subsequent measurement* (continued)

Interest and dividend income on available-for-sale financial assets are recognised separately in income statement. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in the income statement and the other changes are recognised in other comprehensive income and accumulated in the fair value reserve. Changes in fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

(e) *Impairment*

The Group assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) *Loans and receivables / Held-to-maturity financial assets*

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the income statement.

The impairment allowance is reduced through the income statement in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(ii) *Available-for-sale financial assets*

In addition to the objective evidence of impairment described in note 2.11(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

2. Significant accounting policies (continued)

2.11 Financial assets (continued)

(e) Impairment (continued)

(ii) Available-for-sale financial assets (continued)

If any evidence of impairment exists, the cumulative loss that was previously recognised in other comprehensive income is reclassified to the income statement. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity securities are not reversed through the income statement.

(f) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the statement of financial position date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.14 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the statement of financial position date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

2. Significant accounting policies (continued)

2.14 Fair value estimation of financial assets and liabilities (continued)

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flows analysis, are also used to determine the fair values of the financial instruments.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.15 Leases

(a) Operating leases – when the Group is the lessee

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in the income statement on a straight-line basis over the period of the lease.

(b) Operating leases – when the Group is the lessor

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in the income statement on a straight-line basis over the lease term.

Contingent rents are recognised as income in the income statement when earned.

2.16 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.17 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary and associated companies, and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

2. Significant accounting policies (continued)

2.17 Income taxes (continued)

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the statement of financial position date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in the income statement, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in the income statement when the changes arise.

2.19 Employee compensation

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

2.20 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

2. Significant accounting policies (continued)

2.20 Currency translation (continued)

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the statement of financial position date are recognised in the income statement. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to income statement, as part of the gain or loss on disposal.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the date of the statement of financial position;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to the income statement on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the date of the statement of financial position.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management who are responsible for allocating resources and assessing performance of the operating segments.

2. Significant accounting policies (continued)

2.22 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position.

2.23 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.24 Dividends to Company's shareholders

Dividends to Company's shareholders are recognised when the dividends are approved for payment.

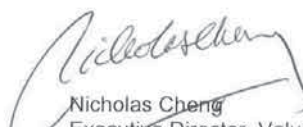
VALUATION REPORTS REFERRED TO IN THE IFA LETTER



VALUATION SUMMARY

(1) Property	:	Singapore Land Tower 50 Raffles Place Singapore 048623
Legal Description	:	Lot 499M Town Subdivision 1.
Site Area	:	5,064.4 sq.m.
Tenure	:	999 years leasehold commencing from 20 April 1826.
Brief Description	:	Singapore Land Tower is a 47-storey commercial development, with 3 basement carpark levels (comprising a total of 288 lots). It was completed in May 1982. It comprises a 4-storey podium and a 43-storey tower block. The podium houses banking halls on the 1st storey, offices on the 2nd and 3rd storeys, and a roof terrace on the 4th storey as well as on the 45th storey. The tower block accommodates office units from the 5th to 46th storeys (excluding the 20th storey). We were informed that the building had undergone upgrading works which were completed in 2003. Modifications were made to the carpark system in 2006.
Registered Proprietor	:	S.L. Development Pte Ltd.
Total Lettable Area	:	Approximately 57,981 sq.m.
Total Committed Monthly Gross Rental as at 31 December 2013	:	S\$4,891,809/-
Occupancy Rate as at 31 December 2013	:	97.13%
Lease Terms	:	The offices are generally leased out on 1 to 5 year terms.
Market Value as at 31 December 2013	:	S\$1,500,000,000/- (Singapore Dollars One Billion And Five Hundred Million).

for and on behalf of
DTZ DEBENHAM TIE LEUNG (SEA) PTE LTD


 Nicholas Cheng
 Executive Director, Valuation

Date : 6 February 2014
 Our Ref : NC:KF:ao:1312018

VALUATION SUMMARY

(2) Property	:	Clifford Centre 24 Raffles Place Singapore 048621
Legal Description	:	Lot 419C Town Subdivision 1.
Site Area	:	3,342.5 sq.m.
Tenure	:	999 years leasehold commencing from 20 April 1826.
Brief Description	:	Clifford Centre is a 29-storey commercial development with a basement, completed in 1977. It comprises a 7-storey podium and a 22-storey tower block. The subject development comprises a food court on the basement level, shops on the 1 st storey and 2 nd storey, carparking lots on the 3 rd to 6 th storeys and plant rooms on the 8 th and 9 th storeys. Office units are located on the 7 th , 10 th to 29 th storeys. We were informed that the carpet flooring for the office common corridor was replaced in 2006.
Registered Proprietor	:	S.L. Properties Ltd.
Total Lettable Area	:	Approximately 25,881 sq.m.
Total Committed Monthly Gross Rental as at 31 December 2013	:	S\$1,957,345/-
Occupancy Rate as at 31 December 2013	:	97.26%
Lease Terms	:	The shops/offices are generally leased out on 1 to 5 year terms.
Market Value as at 31 December 2013	:	S\$530,000,000/- (Singapore Dollars Five Hundred And Thirty Million).

for and on behalf of
DTZ DEBENHAM TIE LEUNG (SEA) PTE LTD



Nicholas Cheng
Executive Director, Valuation

Date : 6 February 2014
Our Ref : NC:KF:ao:1312019

VALUATION SUMMARY

(3) Property	:	Shing Kwan Realty Pte Ltd's Interest in SGX Centre 1 & 2 at Nos. 2 & 4 Shenton Way Singapore 068804 / 068807																		
Legal Description	:	Lot 168K Town Subdivision 30.																		
Site Area	:	5,798.2 sq.m.																		
Tenure	:	99 years leasehold commencing from 13 November 1995.																		
Brief Description	:	SGX Centre 1 & 2 is a commercial development comprising two 29-storey office towers, a 2-storey podium and 2 levels of basement car parks. Temporary Occupation Permit (T.O.P) was issued on 29 December 2000 and 29 June 2001 for SGX Centre 1 & 2 respectively. Central air-conditioning system, CCTV, Singapore Cable Vision (SCV) pipelines and security control are provided.																		
Registered Proprietor	:	Shing Kwan Realty (Pte) Ltd																		
Total Lettable Area	:	<table> <tr> <td></td><td></td><td style="text-align: right;"><u>Approximate Lettable Area</u></td></tr> <tr> <td><u>SGX Centre 1</u></td><td></td><td></td></tr> <tr> <td>15th to 18th Storeys</td><td>-</td><td style="text-align: right;">3,236.84 sq.m.</td></tr> <tr> <td><u>SGX Centre 2</u></td><td></td><td></td></tr> <tr> <td>1st, 4th, 6th to 28 Storeys</td><td>-</td><td style="text-align: right;">21,716.11 sq.m.</td></tr> <tr> <td></td><td></td><td style="text-align: right;"><u>24,952.95 sq.m.</u></td></tr> </table>			<u>Approximate Lettable Area</u>	<u>SGX Centre 1</u>			15 th to 18 th Storeys	-	3,236.84 sq.m.	<u>SGX Centre 2</u>			1 st , 4 th , 6 th to 28 Storeys	-	21,716.11 sq.m.			<u>24,952.95 sq.m.</u>
		<u>Approximate Lettable Area</u>																		
<u>SGX Centre 1</u>																				
15 th to 18 th Storeys	-	3,236.84 sq.m.																		
<u>SGX Centre 2</u>																				
1 st , 4 th , 6 th to 28 Storeys	-	21,716.11 sq.m.																		
		<u>24,952.95 sq.m.</u>																		
Total Committed Monthly Gross Rental as at 31 December 2013	:	S\$1,680,697/-																		
Occupancy Rate as at 31 December 2013	:	98.69%																		
Lease Terms	:	The offices are generally leased out on 2 to 6-year terms.																		
Market Value as at 31 December 2013	:	S\$503,000,000/- (Singapore Dollars Five Hundred And Three Million).																		

for and on behalf of
DTZ DEBENHAM TIE LEUNG (SEA) PTE LTD

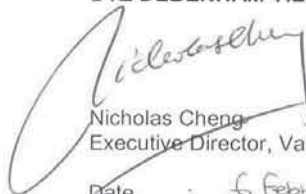

 Nicholas Cheng
 Executive Director, Valuation

Date : 6 February 2014
 Our Ref : NC:KF:ao:1312020

VALUATION SUMMARY

(4) Property	:	The Gateway 150/152 Beach Road Singapore 189720 / 189721
Legal Description	:	Lot 926T Town Subdivision 13.
Site Area	:	22,380.9 sq.m.
Tenure	:	99 years leasehold commencing from 20 May 1982.
Brief Description	:	The Gateway is an office development comprising two 37-storey towers with 2 inter-linked basement levels with 689 carpark lots. It was completed in mid 1990. There is a cafeteria / canteen on the 1 st basement, showrooms (with basement office) on the 1 st storey and offices on the upper floors. We were informed that the air-conditioning systems had been upgraded in 2006.
Registered Proprietor	:	Gateway Land Limited.
Total Lettable Area	:	Approximately 79,112.87 sq.m.
Total Committed Monthly Gross Rental as at 31 December 2013	:	S\$4,906,704/-.
Occupancy Rate as at 31 December 2013	:	96.24%
Lease Terms	:	The offices are generally leased out on 1 to 5-year terms.
Market Value as at 31 December 2013	:	S\$1,065,000,000/- (Singapore Dollars One Billion And Sixty-Five Million).

for and on behalf of
DTZ DEBENHAM TIE LEUNG (SEA) PTE LTD



Nicholas Cheng
 Executive Director, Valuation

Date : 5 February 2014
 Our Ref : NC:KF:ao:1312021

VALUATION SUMMARY

(5) Property	:	Abacus Plaza 3 Tampines Central 1 Singapore 529540
Legal Description	:	Lot 1654M Mukim 29.
Site Area	:	2,613.8 sq.m.
Tenure	:	99 years leasehold commencing from 27 February 1996.
Brief Description	:	Abacus Plaza is an 8-storey commercial development with shops on the 1 st storey and offices on the upper storey. We were informed that it was completed on 5 June 1998. A carpark with a total of 87 lots is located at the 2 basement levels of the buildings.
Registered Proprietor	:	S.L. Prime Properties Pte Ltd.
Total Lettable Area	:	Approximately 8,404.76 sq.m.
Total Committed Monthly Gross Rental as at 31 December 2013	:	S\$442,575/-.
Occupancy Rate as at 31 December 2013	:	100%
Lease Terms	:	The offices are generally leased out on 2 to 5-year terms.
Market Value as at 31 December 2013	:	S\$87,000,000/- (Singapore Dollars Eighty-Seven Million).

for and on behalf of
DTZ DEBENHAM TIE LEUNG (SEA) PTE LTD


Nicholas Cheng
Executive Director, Valuation

Date : 6 February 2014
Our Ref : NC: CWK:ao:1312022

VALUATION SUMMARY

(6)	Property	:	Tampines Plaza 5 Tampines Central 1 Singapore 529541
	Legal Description	:	Lot 1653C Mukim 29.
	Site Area	:	2,612.9 sq.m.
	Tenure	:	99 years leasehold commencing from 27 February 1996.
	Brief Description	:	Tampines Plaza is an 8-storey office development with 2 basement carpark levels. We were informed that it was completed on 5 June 1998. A carpark with a total of 79 lots is located at the basement levels of the building.
	Registered Proprietor	:	S.L. Prime Realty Pte Ltd.
	Total Lettable Area	:	Approximately 8,362.86 sq.m.
	Total Committed Monthly Gross Rental as at 31 December 2013	:	S\$429,728/-
	Occupancy Rate as at 31 December 2013	:	100%
	Lease Terms	:	The offices are generally leased out on 3-4 year terms.
	Market Value as at 31 December 2013	:	S\$86,500,000/- (Singapore Dollars Eighty-Six Million And Five Hundred Thousand).

for and on behalf of
DTZ DEBENHAM TIE LEUNG (SEA) PTE LTD



Nicholas Cheng
Executive Director, Valuation

Date : 6 February 2014
Our Ref : NC:CWK:ao:1312023

VALUATION CERTIFICATE



Property	: 6 Raffles Boulevard Marina Square Retail Mall, Marina Square Retail Underpass & For New Retail Wing In Its Existing Partially Completed State Of Construction Singapore 039594
Client	: Marina Centre Holdings Pte Ltd
Purpose	: For the proposed voluntary unconditional cash offer by UIC Enterprise Pte Ltd for the shares in Singapore Land Limited
Legal Description	: Part of Lot Nos. : 357L and 358C Town Subdivision : 11
Tenure	: Leasehold 99 years with effect from 9 September 1980 (Balance of about 65.7 years as at 31 December 2013)
Basis Of Valuation	: Market Value subject to existing tenancies and occupational arrangements for Marina Square Retail Mall and Marina Square Retail Underpass and for new retail wing in its existing partially completed state of construction, taking into account the value of work done.
Registered Owner	: Marina Centre Holdings Pte Ltd
Land Area of Lots 357L and 358C Town Subdivision 11	: 92,197.3 sm
Master Plan 2008	: "Hotel" with a gross plot ratio of 3.4
Brief Description	: Marina Square is an integrated mega-scale commercial complex. It has three world-class hotels linked by a 4-storey retail and recreation podium block and a car park of 1,990 lots at the basement and 1st storey. The Property is situated at the heart of Marina Centre bounded by Marina East and Marina South at the crossroads of the East Coast Parkway and Ayer Rajah Expressway. It accommodates specialty shops and anchor tenants where the majority of the specialty shop units are located on the 2nd and 3rd storeys of the 4-storey podium block. A two phase redevelopment plan was announced in April 2013 encompassing a new gourmet dining zone (Phase 1) and an extensive new retail wing (Phase 2). Phase 1 entails a new gourmet wing on the 2nd storey near the North West Entrance of the mall fronting the Raffles Link and was completed in 2Q 2013. Phase 2 features a proposed new retail wing that will be developed in the open space facing Marina Bay and Esplanade-Theatres on the Bay. The new wing will offer three levels of shopping space and rooftop dining venues and is expected to house over 80 specialty stores. Marina Square Retail Underpass comprising retail and food/beverage outlets is an underground tunnel link to the Esplanade MRT Station along the Circle Line. It is accessible via a portal entrance with linkage to street level upwards using two pairs of escalators and a lift providing access to the 2nd and 3rd storeys of Marina Square Retail Mall.
Tenancy Profile	: John Little, Golden Village Marina, SuperBowl, Marks & Spencer, Gain City and non-major retail tenancies
Lettable Floor Area	: 56,255.2 sm
Valuation Approaches	: Capitalisation Approach and Residual Land Value Method
Date Of Valuation	: 31 December 2013
Market Value	: S\$1,087,000,000/- (Singapore Dollars One Billion And Eighty-Seven Million Only)
Assumptions, Disclaimers, Limitations & Qualifications	: <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>

Prepared By : Knight Frank Pte Ltd

Png Poh Soon
MSc., B.Sc. (Real Estate) Hons., MSISV
Director, Valuation
(Appraiser's Licence No: AD 041-2009900J)

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Other Offices:

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Knight Frank Shopping Centre Management Pte Ltd 16 Raffles Quay #30-01 Hong Leong Building Singapore 048581
KF Property Network Pte Ltd 491B River Valley Road #07-02 Valley Point Singapore 248373



LIMITING CONDITIONS

This Valuation Certificate is subject to the following limiting conditions:

- (1) The Valuer's responsibility in connection with this certificate is limited to the client to whom the certificate is addressed. The Valuer disclaims all responsibility and will accept no liability to any other party.
- (2) Reproduction of this certificate 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 certificate 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 certificate 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 certificate 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.
- (8) The Valuer is not obliged to give testimony or to appear in Court with regard to this certificate, with reference to the property unless specific arrangement has been made therefor.

VALUATION CERTIFICATE



Property	: 7 Raffles Boulevard The Pan Pacific Hotel Singapore Singapore 039595
Client	: Hotel Marina City Private Limited
Purpose	: For the proposed voluntary unconditional cash offer by UIC Enterprise Pte Ltd for the shares in Singapore Land Limited
Legal Description	: Part of Land Lot Nos. : 357L and 358C Strata Lot No. : U1130K Accessory Lot Nos. : A4C, A5M and A6W Town Subdivision : 11
Tenure	: Leasehold 99 years with effect from 9 September 1980 (Balance of about 65.7 years as at 31 December 2013)
Basis Of Valuation	: Market Value with vacant possession
Registered Owner	: Hotel Marina City Private Limited
Land Area of Lots 357L and 358C Town Subdivision 11	: 92,197.3 sm
Master Plan 2008	: "Hotel" with a gross plot ratio of 3.4 (Lot 358C Town Subdivision 11) "Hotel" with a gross plot ratio of 3.6 (Lot 357L Town Subdivision 11)
Brief Description	: Marina Square is an integrated mega-scale commercial complex comprising three hotels known as Mandarin Oriental Singapore, Marina Mandarin Singapore and The Pan Pacific Hotel Singapore linked by a 4-storey retail and recreation podium block and a car park of 1,990 lots at the basement and 1st storey. It is situated at the heart of Marina Centre bounded by Marina East and Marina South at the crossroads of the East Coast Parkway and Ayer Rajah Expressway. The Pan Pacific Hotel Singapore is a 38-storey hotel building with a basement level accommodating a total of 790 guest rooms (equivalent to 850 room modules). Communal facilities provided on the 4th storey of the Property include a swimming pool, spa and gymnasium. The Temporary Occupation Permit was issued on 18 December 1986 with renovation and upgrading works done in 2000, 2001, 2004/2005 and 2007. Major renovation works were carried out to the guest rooms, restaurants, lobby areas, Pacific Club and other areas in 2012 at a cost of approximately \$80 million.
Gross Floor Area	: 83,911.5 sm
Strata Floor Area	: 127,397.0 sm, including void of 23,460.0 sm and excluding Accessory Lots of 2,083.0 sm
Valuation Approaches	: Capitalisation Approach and Comparable Sales Method
Date Of Valuation	: 31 December 2013
Market Value	: S\$784,000,000/- (Singapore Dollars Seven Hundred And Eighty-Four Million Only)
Assumptions, Disclaimers, Limitations & Qualifications	: <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>
Prepared By	: Knight Frank Pte Ltd

Low Kin Hon
B.Sc.(Estate Management) Hons.,FSISV
Managing Director, Valuation
Appraiser's Licence No. AD 041-20037521

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- (3) The opinion expressed in this certificate 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.
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VALUATION CERTIFICATE



Property	: 6 Raffles Boulevard Marina Mandarin Singapore Singapore 039594
Client	: Aquamarina Hotel Private Limited
Purpose	: For the proposed voluntary unconditional cash offer by UIC Enterprise Pte Ltd for the shares in Singapore Land Limited
Legal Description	: Part of Land Lot Nos. : 357L and 358C Strata Lot No. : U1132X Accessory Lot Nos. : A7V and A16X Town Subdivision : 11
Tenure	: Leasehold 99 years with effect from 9 September 1980 (Balance of about 65.7 years as at 31 December 2013)
Basis Of Valuation	: Market Value with vacant possession
Registered Owner	: Aquamarina Hotel Private Limited
Land Area of Lots 357L and 358C Town Subdivision 11	: 92,197.3 sm
Master Plan 2008	: "Hotel" with a gross plot ratio of 3.4 (Lot 358C Town Subdivision 11) "Hotel" with a gross plot ratio of 3.6 (Lot 357L Town Subdivision 11)
Brief Description	: Marina Square is an integrated mega-scale commercial complex comprising three hotels known as Mandarin Oriental Singapore, Marina Mandarin Singapore and The Pan Pacific Hotel Singapore linked by a 4-storey retail and recreation podium block and a car park of 1,990 lots at the basement and 1st storey. It is situated at the heart of Marina Centre bounded by Marina East and Marina South at the crossroads of the East Coast Parkway and Ayer Rajah Expressway. Marina Mandarin Singapore is a 22-storey hotel building with a basement level accommodating a total of 575 guest rooms (equivalent to 603 room modules). Communal facilities provided on the 5th storey of the Property include a 25-metre mineral water swimming pool, gymnasium and Amarin SPA. The Temporary Occupation Permit was issued on 12 December 1986 with renovation and upgrading works done in 1997, 1998, 1999 and 2000. Major addition and alteration works (Phase 1 & 2) were carried out in 2005 at a cost of approximately \$32.5 million, inclusive of furniture, fittings and equipment cost. Some of the hotel rooms were renovated and furnished in 2007 while the restaurants were subsequently upgraded in 2011.
Gross Floor Area	: 60,528.7 sm
Strata Floor Area	: 104,340.0 sm, including void of 27,305.0 sm and excluding Accessory Lots of 133.0 sm
Valuation Approaches	: Capitalisation Approach and Comparable Sales Method
Date Of Valuation	: 31 December 2013
Market Value	: S\$552,000,000/- (Singapore Dollars Five Hundred And Fifty-Two Million Only)
Assumptions, Disclaimers, Limitations & Qualifications	: <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>
Prepared By	: Knight Frank Pte Ltd

Low Kin Hon
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Appraiser's Licence No. AD 041-20037521

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Other Offices:

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VALUATION CERTIFICATE



Property	: 5 Raffles Avenue Mandarin Oriental Singapore Singapore 039797
Client	: Marina Bay Hotel Private Limited
Purpose	: For the proposed voluntary unconditional cash offer by UIC Enterprise Pte Ltd for the shares in Singapore Land Limited
Legal Description	: Part of Land Lot Nos. : 357L and 358C Strata Lot No. : U1134C Accessory Lot Nos. : A10V, A14K and A15N Town Subdivision : 11
Tenure	: Leasehold 99 years with effect from 9 September 1980 (Balance of about 65.7 years as at 31 December 2013)
Basis Of Valuation	: Market Value with vacant possession
Registered Owner	: Marina Bay Hotel Private Limited
Land Area of Lots 357L and 358C Town Subdivision 11	: 92,197.3 sm
Master Plan 2008	: "Hotel" with a gross plot ratio of 3.4 (Lot 358C Town Subdivision 11) "Hotel" with a gross plot ratio of 3.6 (Lot 357L Town Subdivision 11)
Brief Description	: Marina Square is an integrated mega-scale commercial complex comprising three hotels known as Mandarin Oriental Singapore, Marina Mandarin Singapore and The Pan Pacific Hotel Singapore linked by a 4-storey retail and recreation podium block and a car park of 1,990 lots at the basement and 1st storey. It is situated at the heart of Marina Centre bounded by Marina East and Marina South at the crossroads of the East Coast Parkway and Ayer Rajah Expressway. Mandarin Oriental Singapore is a 22-storey hotel building with a basement level accommodating a total of 527 guest rooms (equivalent to 596 room modules). Communal facilities provided on the 5th storey of the Property include a swimming pool, wading pool, spa, gymnasium and yoga room. The Temporary Occupation Permit was issued on 13 February 1987 with renovation and upgrading works done in 1999 and 2002. Major addition and alteration works were carried out to the guest rooms, food and beverage outlets, lift car cladding, provision of high-speed Internet and Inncom system and other areas in 2004/05 at a cost of approximately \$39 million. The spa was renovated in 2011 while renovation/soft refurbishment works were done to the gymnasium, housekeeping areas and the ballrooms in 2013.
Gross Floor Area	: 55,584.0 sm
Strata Floor Area	: 91,608.0 sm, including void of 13,208.0 sm and excluding Accessory Lots of 130.0 sm
Valuation Approaches	: Capitalisation Approach and Comparable Sales Method
Date Of Valuation	: 31 December 2013
Market Value	: S\$580,000,000/- (Singapore Dollars Five Hundred And Eighty Million Only)
Assumptions, Disclaimers, Limitations & Qualifications	: <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>
Prepared By	: Knight Frank Pte Ltd

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