



## SINGAPORE PRESS HOLDINGS LIMITED

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

### SUCCESSFUL TENDER FOR MIXED DEVELOPMENT AT UPPER SERANGOON ROAD

#### 1. Introduction

Singapore Press Holdings Limited ("**SPH**" or the "**Company**") is pleased to announce that Elara 1 Pte. Ltd. ("**Elara1**") and Callisto 1 Pte. Ltd. ("**Callisto1**"), which are companies equally and ultimately owned by SPH and Kajima Development Pte. Ltd. ("**KDPL**"), have today received notification from the Housing and Development Board ("**HDB**") that they have won the tender for the 99-year lease of the Land (as defined below) at the bid price of S\$1,132,000,000 (the "**Tender Price**").

#### 2. Acquisition of the Land

##### 2.1 The Land

The "**Land**" comprises (i) the piece of land known as Lot 10889K MK 24 in the Republic of Singapore (excluding the parcel of subterranean space known as Lot 80005P of Mukim 24 for the Woodleigh MRT station, the stratum of air space for the community club and the stratum of air space and the parcel of subterranean space for the neighbourhood police centre) situated at Upper Serangoon Road, (ii) the stratum of air space within the road reserve across Bidadari Park Drive and beyond the road reserve that will be connected to Bidadari Park, and (iii) the subterranean space for an underpass to connect to the bus interchange in Woodleigh Village BTO.

##### 2.2 Mixed Development

The Land will be developed for mixed commercial and residential use (the "**Development**"). The Development will be integrated with a community club and a neighbourhood police centre. However, the parts occupied by the community club and neighbourhood police centre will not be included in the Land nor vest in the successful joint bidders, Elara1 and Callisto1.

The Land will be leased from HDB for a term of 99 years, commencing from the date of the full payment of the Tender Price on the terms and conditions specified in the lease to be signed with the President of the Republic of Singapore.

The Development shall have a permissible total gross floor area of not more than 89,043 square metres (which includes 6,000 square metres of gross floor area for the community club and 2,190 square metres of gross floor area for the neighbourhood police centre) but not less than 80,139 square metres. A supermarket with a minimum net floor area of 1,000 square metres will also be provided within the commercial development.

### 2.3 Tender Price

The Tender Price of S\$1,132,000,000 was arrived at after considering the economic potential of the Development, taking into account factors such as the property yields, market positioning, selling prices of residential units, expected net lettable area, rental rates of retail units and trade and tenant mix.

5% of the Tender Price (the "**Tender Deposit**") will be paid within 7 days of the date of acceptance of the tender by HDB (the "**Acceptance Date**"). 25% of the Tender Price together with the applicable goods and services tax ("**GST**"), less the Tender Deposit, will be paid within 28 days of the Acceptance Date. 75% of the Tender Price and applicable GST will be paid within 90 days of the Acceptance Date.

The portion of the Tender Price payable by SPH will be funded by a combination of internal resources and external borrowings.

### 2.4 Title Documents

Elara1 and Callisto1 will enter into the following title documents, the forms of which are included in the tender documents:

- (a) a building agreement with the President of the Republic of Singapore within 14 days from the date of payment of the final 75% of the Tender Price (constituting payment in full of the Tender Price); and
- (b) a lease with the President of the Republic of Singapore.

### 2.5 Termination Events

- (a) HDB is entitled to re-dispose of the Land and any interest therein in the Development (whether construction thereof has commenced or not) and forfeit the tender deposit and all other moneys paid, if Elara1 and Callisto1 fail to sign the building agreement within 14 days from the date of payment of the final 75% of the Tender Price or fail to ensure the due performance of any of the terms of the particulars and conditions of tender.
- (b) The building agreement will further provide that the President of the Republic of Singapore shall have full right to re-enter upon and resume possession of the Land or any part thereof, the buildings and any other structures on the Land and to forfeit all moneys paid in respect of the Land, if the lessee fails to construct and obtain temporary occupation permit for the whole of the Development within the stipulated project completion period or fails to complete the Development in accordance with the terms of the building agreement, or if the lessee enters into any composition or arrangement with its creditors, amongst other events of default as stated in the building agreement.
- (c) The lease will provide for similar re-entry rights in respect of the President of the Republic of Singapore if any of the lease covenants on the part of the lessee are not performed or observed.

### 3. Rationale

SPH and KDPL ("the "**Consortium**") see potential in the Land's strategic location in Bidadari. It forms part of the new Bidadari estate, a new housing estate at the fringe of the city centre, which is envisioned to be a "community in a garden". The Bidadari estate will encompass a green environment with a garden setting and the site overlooks the Alkaff Lake, Bidadari Park and Bidadari Heritage Walk. In view of the positive attributes of the site, the Consortium believe that there will be demand for residential units in the Development and a ready catchment for the retail component.

### 4. Financial Information and Effects

#### 4.1 Book Value

The book value of the Land will be S\$566,000,000, based on the 50% interest in Elara1 and Callisto1 held by the Company.

#### 4.2 Net Profit

As at the date of this announcement, there is no net profit attributable to the Land as the Land is currently not income-generating.

#### 4.3 Net Tangible Asset ("NTA")

The acquisition of the Land (based on the 50% interest in Elara1 and Callisto1 held by the Company) is not expected to have any material financial effect on the NTA per share of the Company ("**Share**") for the most recently completed financial year ended 31 August 2016, assuming that the acquisition of the Land had been effected at the end of that financial year, as illustrated below:

	<b>Before the acquisition of the Land</b>	<b>After the acquisition of the Land</b>
NTA (S\$'000)	3,368,014	3,368,014
Number of Shares (excluding treasury shares) ('000)	1,614,802	1,614,802
NTA per Share (S\$)	2.09	2.09

#### 4.4 Earnings per Share ("EPS")

The acquisition of the Land (based on the 50% interest in Elara1 and Callisto1 held by the Company) is not expected to have any material financial effect on the EPS for the most recently

completed financial year ended 31 August 2016, assuming that the acquisition of the Land had been effected at the beginning of that financial year, as illustrated below:

	<b>Before the acquisition of the Land</b>	<b>After the acquisition of the Land</b>
Profit after taxation attributable to shareholders (S\$'000)	265,293	265,293
Weighted average number of Shares (excluding treasury shares) ('000)	1,614,436	1,614,436
EPS (S\$)	0.16	0.16

## 5. Discloseable Transaction

The relative figures of the acquisition of the Land (based on the 50% interest in Elara1 and Callisto1 held by the Company) computed on the bases as set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**") are as follows:

<b>Rule 1006</b>	<b>Bases</b>	<b>Relative Figures (%)</b>
(a)	Net asset value of the assets to be disposed of, compared with net asset value of the Company and its subsidiaries (the " <b>Group</b> ")	Not applicable
(b)	Net profits attributable to the Land, compared with the Group's net profits	Not applicable
(c)	The aggregate value of the consideration given (based on the 50% interest in Elara1 and Callisto1 held by the Company), compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares and management shares <sup>(1)</sup>	11.1
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable

**Notes:**

- <sup>(1)</sup> The market capitalisation of the Company of approximately S\$5.1 billion was determined by multiplying 1,598,612,211 issued shares (excluding treasury shares and management shares) of the Company by the volume-weighted average market price of approximately S\$3.19 per share as at the market day immediately preceding the date of this announcement.

As the relative figure under Rule 1006(c) exceeds 5 per cent., the acquisition of the Land will constitute a discloseable transaction as defined in Chapter 10 of the Listing Manual.

**6. Interests of Directors**

No director of the Company has any interest, direct or indirect, in the acquisition of the Land. The Company has no controlling shareholders.

**7. Directors' Service Contracts**

No person is proposed to be appointed as a director of the Company in connection with the acquisition of the Land. Accordingly, no service contract will be entered into between the Company and any such person.

**8. Documents for Inspection**

Copies of the tender documents issued by HDB, the tender submission submitted by Elara1 and Callisto1 to HDB and the letter of acceptance dated **21 June 2017** from HDB to Elara1 and Callisto1 in relation to the acquisition of the Land are available for inspection during normal business hours at the registered office of the Company at 1000 Toa Payoh North, Singapore 318994 for a period of three months commencing from the date of this announcement.

BY ORDER OF THE BOARD

Ginney Lim May Ling  
Khor Siew Kim  
Company Secretaries

21 June 2017