



(Constituted in the Republic of Singapore pursuant to a trust deed dated 8 August 2005 (as amended))

MANAGED BY
YTL STARHILL GLOBAL REIT MANAGEMENT LIMITED
(Company Registration Number 200502123C)

26 September 2019

To: The Unitholders of Starhill Global Real Estate Investment Trust

Dear Sir/Madam

1 INTRODUCTION

1.1 Summary

We refer to the proposed Extraordinary Resolution 4 ("**Resolution 4**") and Ordinary Resolution 5 ("**Resolution 5**") under the "Special Business" section of the notice dated 26 September 2019 (the "**Notice of AGM**") convening the annual general meeting of Starhill Global Real Estate Investment Trust ("**SGR**") to be held at Grand Mandarin Ballroom, Level 6, Main Tower, Mandarin Orchard Singapore, 333 Orchard Road, Singapore 238867, on Tuesday, 29 October 2019 at 11.00 a.m. ("**AGM**").

The purpose of this Letter, which forms part of the Notice of AGM, is to provide Unitholders with information relating to the:

- (a) the proposed Trust Deed Supplement (as defined herein); and
- (b) the proposed adoption of the Unit Buy-Back Mandate (as defined herein).

Resolution 4 relates to the proposed supplement to the trust deed dated 8 August 2005 constituting SGR, (as amended, varied or supplemented from time to time) (the "**Trust Deed**") to include provisions regarding the repurchase and redemption of units of SGR ("**Units**") in the manner set out in **Annex A** of this Letter (the "**Trust Deed Supplement**").

As the Trust Deed Supplement is required for the adoption of Resolution 5 which relates to the proposed adoption of the mandate for YTL Starhill Global REIT Management Limited, as manager of SGR (the "**Manager**") to exercise its powers to procure the repurchases of Units for and on behalf of SGR without the prior specific approval of the holders of the Units ("**Unitholders**") in a general meeting (the "**Unit Buy-Back Mandate**"), the proposed adoption of the Unit Buy-Back Mandate is conditional upon the Trust Deed Supplement being approved by Unitholders.

The approval of the Trust Deed Supplement however, is not conditional upon the Unit Buy-Back Mandate being approved by Unitholders. Accordingly, the Manager will proceed with the Trust Deed Supplement even if Unitholders do not approve the Unit Buy-Back Mandate.

1.2 This Letter

The purpose of this Letter is to provide Unitholders with information relating to the above proposals which will be tabled at the AGM.

1.3 Advice to Unitholders

1.3.1 Trust Deed Supplement

Unitholders should note that by approving the resolution in relation to the proposed Trust Deed Supplement, this would provide the Manager with the ability and flexibility to undertake repurchases of Units, under a Unit Buy-Back Mandate, during the period such mandate is in force and in accordance with the provisions of the Trust Deed and all applicable laws and regulations, including but not limited to the Listing Manual of Singapore Exchange Securities Trading Limited (the “Listing Manual”).

(See “The Proposed Trust Deed Supplement” in paragraph 2 of this Letter for further details.)

1.3.2 Unit Buy-Back Mandate

Unitholders should note that by approving the resolution relating to the Unit Buy-Back Mandate, they will give the Manager the mandate to procure the repurchases of Units on the terms and conditions set out in paragraph 3 of this Letter and in accordance with all applicable laws and regulations, including but not limited to the provisions of the Trust Deed and the Listing Manual.

(See “The Proposed Unit Buy-Back Mandate” in paragraph 3 of this Letter for further details.)

If a Unitholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

1.4 Singapore Exchange Securities Trading Limited (the “SGX-ST”)

SGX-ST assumes no responsibility for the accuracy of any statements or opinions made, or reports contained, in this Letter.

2 THE PROPOSED TRUST DEED SUPPLEMENT

2.1 Background

In respect of the repurchase of Units, the Trust Deed currently provides, *inter alia*, that for so long as SGR is listed:

- (a) in the event the Manager decides to make any offer to repurchase Units by way of an off-market purchase, the repurchase price for a Unit shall be the Current Unit Value¹ per Unit; and
- (b) any offer of repurchase by way of an off-market purchase shall be offered on a pro rata basis to all Unitholders.

¹ “Current Unit Value” means at any time the value (determined in accordance with the Trust Deed) of all the assets of SGR, including all of its Authorised Investments (as defined in the Trust Deed) for the time being held or deemed to be held upon the trusts of the Trust Deed, less all the liabilities of SGR (including liabilities accrued but not yet paid) and any provision which the Manager decides in consultation with the Auditors (as defined in the Trust Deed) should be taken into account in determining the liabilities of SGR at that time divided by the number of Units in issue and deemed to be in issue at that time.

In connection with the proposed adoption of the Unit Buy-Back Mandate, the Manager is seeking Unitholders' approval under Clause 29.1.1 of the Trust Deed to supplement the Trust Deed for the purposes of, *inter alia*:

- (i) allowing the Manager to repurchase Units under a unit buy-back mandate, subject to approval from the Unitholders;
- (ii) providing the Manager with the discretion to determine the repurchase price for a repurchase of Units under a unit buy-back mandate; and
- (iii) setting out other general terms and conditions for the repurchase of Units by the Manager under a unit buy-back mandate.

The full text of the Trust Deed Supplement is set out in **Annex A** of this Letter, showing insertions in underline and deletions in strikethrough.

2.2 Rationale for the Trust Deed Supplement

The Trust Deed Supplement is necessary for the adoption of the Unit Buy-Back Mandate as it would provide the Manager with the ability and the flexibility to undertake repurchases of Units, under a Unit buy-back Mandate, during the period such mandate is in force and in accordance with the provisions of the Trust Deed and all applicable laws and regulations, including but not limited to the Listing Manual.

2.3 Unitholders' Approval

For the reasons stated above, the Manager is seeking the approval of Unitholders for the resolution relating to the proposed Trust Deed Supplement to supplement the Trust Deed in the manner set out in **Annex A** of this Letter.

3 THE PROPOSED UNIT BUY-BACK MANDATE

3.1 The Proposed Unit Buy-Back Mandate

Subject to Unitholders' approval by way of an Extraordinary Resolution and the adoption of Resolution 4, the Manager intends to seek the approval of Unitholders for the proposed Unit Buy-Back Mandate at the AGM under Resolution 5.

UNITHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF RESOLUTION 5 RELATING TO THE UNIT BUY-BACK MANDATE, THEY WILL BE AUTHORISING THE MANAGER TO PROCURE THE REPURCHASE OF UNITS ON THE TERMS AND CONDITIONS SET OUT IN THIS PARAGRAPH 3 AND IN ACCORDANCE WITH THE PROVISIONS OF THE TRUST DEED (AS PROPOSED TO BE SUPPLEMENTED BY THE TRUST DEED SUPPLEMENT) AND ALL APPLICABLE LAWS AND REGULATIONS, INCLUDING BUT NOT LIMITED TO THE LISTING MANUAL.

3.2 Rationale for the Unit Buy-Back Mandate

The approval of the Unit Buy-Back Mandate authorising the Manager to repurchase Units for and on behalf of SGR would give the Manager the flexibility to undertake repurchases of Units ("**Unit Buy-Back**") of up to the 2.5% limit described in paragraph 3.3.1 of this Letter at any time, during the period when the Unit Buy-Back Mandate is in force.

The rationale for seeking the Unit Buy-Back Mandate is as follows:

- (i) the Unit Buy-Back Mandate would be a flexible and cost-effective capital management tool to enhance return on equity for Unitholders and/or the net asset value (“NAV”) per Unit; and
- (ii) the Unit Buy-Back Mandate, when exercised at appropriate times, would help mitigate short-term market volatility, offset the effects of short-term speculative trading of the Units and bolster market confidence in the Units.

While the Unit Buy-Back Mandate would authorise Unit Buy-Backs of up to the said 2.5% limit during the period when the Unit Buy-Back Mandate is in force, Unitholders should note that the Manager may not necessarily repurchase Units, and Unit Buy-Backs may not necessarily be carried out to the entire 2.5% limit as authorised by Unitholders.

Repurchases of Units will be made only when the Manager considers it to be in the best interests of SGR and the Unitholders.

Rule 723 of the Listing Manual requires SGR to ensure that at least 10.0% of its Units are at all times held by the public (the “Public Float”). As at 29 August 2019, being the latest practicable date prior to the printing of this Letter (the “Latest Practicable Date”), the Public Float is approximately 55%, and accordingly, the Manager is of the view that the orderly trading and the listing status of the Units on the SGX-ST is not likely to be affected by the Unitholders’ approval of the Unit Buy-Back Mandate and the repurchases of Units thereunder.

3.3 Authority and Limits on the Unit Buy-Back Mandate

The authority conferred on the Manager and the limits placed on the repurchases of Units by the Manager under the Unit Buy-Back Mandate are set out below:

3.3.1 Maximum Limit

The total number of Units which may be repurchased pursuant to the Unit Buy-Back Mandate is limited to that number of Units representing not more than 2.5% of the total number of issued Units as at the date of the AGM.¹

FOR ILLUSTRATIVE PURPOSES ONLY: On the basis of 2,181,204,435 Units in issue as at the Latest Practicable Date, and assuming that no further Units are issued on or prior to the AGM at which the Unit Buy-Back Mandate is approved, not more than 54,530,110 Units (representing 2.5% of the issued Units) may be repurchased by the Manager pursuant to the Unit Buy-Back Mandate during the Mandate Duration (as defined herein).

¹ Pursuant to the Listing Manual, a unit buy-back shall not exceed 10.0% of the total number of issued units excluding treasury units and subsidiary holdings in each class as at the date of the resolution passed by unitholders for the unit buy-back. For the avoidance of doubt, SGR does not hold any treasury units and there are no subsidiary holdings as none of the subsidiaries of SGR hold any Units. There is also only one class of units in SGR.

3.3.2 Duration of Authority

Unless revoked or varied by Unitholders in a general meeting, the Unit Buy-Back Mandate, if approved by Unitholders, will be in force from the period commencing from the date on which the AGM is held and the Unit Buy-Back Mandate is approved and expiring on the earliest of the following dates:

- (i) the date on which the next annual general meeting of SGR is held;
- (ii) the date by which the next annual general meeting of SGR is required by applicable laws and regulations or the provisions of the Trust Deed to be held; or
- (iii) the date on which the repurchases of Units by the Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated,

(the “**Mandate Duration**”).

Under the Trust Deed and the prevailing laws and regulations of Singapore, SGR is required to convene an annual general meeting of Unitholders once every calendar year and not more than 15 months after the holding of the last preceding annual general meeting, and in any case within four months from the financial year end of SGR.

The authority conferred on the Manager under the Unit Buy-Back Mandate to repurchase Units may be renewed at the next annual general meeting of Unitholders. When seeking the approval of Unitholders for any subsequent Unit buy-back mandate, the Manager shall disclose details of each Unit buy-back made during the Mandate Duration in respect of the Unit buy-back mandate immediately preceding such Unit buy-back mandate being sought, including the total number of Units repurchased, the repurchase price per Unit or the highest and lowest prices paid for such repurchases of Units, where relevant, and the total consideration paid for such repurchases.

3.3.3 Manner of Repurchase

Repurchases of Units may be made by way of:

- (i) market repurchase(s) (“**Market Repurchases**”); and/or
- (ii) off-market repurchase(s) (“**Off-Market Repurchases**”).

Market Repurchases refer to repurchases of Units by the Manager effected on the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, through one or more duly licensed stockbrokers appointed by the Manager for the purpose.

Off-Market Repurchases refer to repurchases of Units by the Manager (which are not Market Repurchases) made under an equal access scheme or schemes for the repurchase of Units from Unitholders in accordance with the Trust Deed, as proposed to be supplemented by the Trust Deed Supplement. In this regard, an Off-Market Repurchase must satisfy all the following conditions:

- (i) offers for the repurchase or acquisition of Units shall be made to every person who holds Units to repurchase or acquire the same percentage of their Units;

- (ii) all of the above-mentioned persons shall be given a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (a) differences in consideration attributable to the fact that offers may relate to Units with different accrued distribution entitlements;
 - (b) differences in consideration attributable to the fact that the offers may relate to Units with different amounts remaining unpaid; and
 - (c) differences in the offers introduced solely to ensure that each Unitholder is left with a whole number of Units.

Additionally, the Listing Manual provides that, in making an Off-Market Repurchase, the Manager must issue an offer document to all Unitholders which must contain, *inter alia*:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed Unit repurchases;
- (iv) the consequences, if any, of Unit repurchases by the Manager that will arise under the Singapore Code on Take-overs and Mergers (the “**Code**”) or other applicable takeover rules;
- (v) whether the Unit repurchases, if made, could affect the listing of the Units on the SGX-ST;
- (vi) details of any Unit repurchases made by the Manager in the previous 12 months (whether Market Repurchases or Off-Market Repurchases in accordance with an equal access scheme), giving the total number of Units repurchased, the repurchase price per Unit or the highest and lowest prices paid for the repurchases, where relevant, and the total consideration paid for the repurchases; and
- (vii) whether the Units repurchased by the Manager will be cancelled or kept as treasury Units.

3.3.4 Repurchase Price

The Manager has the discretion to determine the repurchase price for a repurchase of Units under a Unit buy-back mandate, subject to such repurchase price not exceeding:

- (i) in the case of a Market Repurchase (in accordance with Rule 884 of the Listing Manual), 105.0% of the Average Closing Price (as defined herein) of the Units; and
- (ii) in the case of an Off-Market Repurchase, 110.0% of the Average Closing Price of the Units,

(the “**Maximum Price**”), in either case, excluding Related Expenses of such repurchase.

For the purposes of this paragraph 3.3.4:

“**Average Closing Price**” means the average of the closing market prices of the Units over the last five Market Days (as defined herein), on which transactions in the Units were recorded, immediately preceding the date of the Market Repurchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Repurchase, and deemed to be adjusted for any corporate action that occurs after the relevant five Market Days.

“**date of the making of the offer**” means the date on which the Manager makes an offer for an Off-Market Repurchase, stating therein the repurchase price (which shall not be more than the Maximum Price for an Off-Market Repurchase calculated on the foregoing basis) for each Unit and the relevant terms of the equal access scheme for effecting the Off-Market Repurchase.

3.4 Status of Repurchased Units

Under the Trust Deed (as proposed to be supplemented by the Trust Deed Supplement), a Unit repurchased by way of a Unit buy-back shall be deemed cancelled immediately on repurchase (and all rights and privileges attached to such Unit will expire on such cancellation).

3.5 Reporting Requirements

Rule 886 of the Listing Manual specifies that an issuer shall notify the SGX-ST of all repurchases or acquisitions of its Units not later than 9.00 a.m.:

- (i) in the case of a Market Repurchase, on the Market Day following the day on which the Market Repurchase was made; or
- (ii) in the case of an Off-Market Repurchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Repurchase.

The notification of any such repurchases of Units to the SGX-ST (in the form of an announcement on the SGXNet) shall be in such form and shall include such details as the SGX-ST may prescribe.

The Manager shall make arrangements with the appointed stockbrokers and/or custodians to ensure that they provide the Manager in a timely fashion the necessary information which will enable the Manager to make the notifications to the SGX-ST.

3.6 Sources of Funds

The Manager may only apply funds for the repurchase of Units as provided in the Trust Deed (as proposed to be supplemented by the Trust Deed Supplement) and in accordance with the applicable laws and regulations in Singapore. The Manager may not repurchase Units for a consideration other than in cash.

The Manager intends to utilise SGR’s internal sources of funds, external borrowings or a combination of both to finance the Manager’s repurchase of Units on behalf of SGR pursuant to the Unit Buy-Back Mandate, subject always to the requirements of the applicable laws and/or regulations in force at the relevant time.

3.7 Financial Effects

It is not possible for the Manager to calculate realistically or quantify the impact of repurchases of Units that may be made pursuant to the Unit Buy-Back Mandate on the NAV per Unit and distribution per Unit (“DPU”) as the resultant effect would depend on, among others, the aggregate number of Units repurchased and the repurchase prices paid for such Units.

SGR’s total number of issued Units will be diminished by the total number of Units repurchased by way of a Unit Buy-Back as such Units will be cancelled.

The Manager will only exercise the Unit Buy-Back Mandate when it considers it to be in the best interests of SGR and the Unitholders. The Manager will consider factors such as the working capital requirements, availability of financial resources, the investment and growth strategies of SGR and the prevailing market conditions before repurchasing Units under the Unit Buy-Back Mandate. The Manager will exercise the Unit Buy-Back Mandate with a view to enhancing the DPU and/or the NAV per Unit. The Manager does not intend to exercise the Unit Buy-Back Mandate to such an extent as would have a material adverse effect on the financial position of SGR.

FOR ILLUSTRATIVE PURPOSES ONLY: The financial effects of a Unit buy-back on SGR are based on the assumptions set out below:

- (i) 54,530,110 Units (representing approximately 2.5% of the issued Units as at the Latest Practicable Date) are repurchased by the Manager pursuant to the Unit Buy-Back Mandate on 1 July 2018;
- (ii) 2,181,204,435 Units are in issue as at the Latest Practicable Date (assuming no further Units are issued on or prior to the AGM at which the Unit Buy-Back Mandate is approved);
- (iii) Units are repurchased:
 - (a) in the case of Market Repurchases by the Manager at the Maximum Price of S\$0.788 per Unit (being 105.0% of the Average Closing Price of the Units immediately preceding the Latest Practicable Date), and accordingly, the maximum amount of funds required for the repurchase of the 54,530,110 Units, representing 2.5% of the issued Units as at the Latest Practicable Date (excluding Related Expenses) is approximately S\$43.0 million; and
 - (b) in the case of Off-Market Repurchases by the Manager at the Maximum Price of S\$0.826 per Unit (being 110.0% of the Average Closing Price of the Units immediately preceding the Latest Practicable Date), and accordingly, the maximum amount of funds required for the repurchase of the 54,530,110 Units, representing 2.5% of the issued Units as at the Latest Practicable Date (excluding Related Expenses) is approximately S\$45.0 million; and
- (iv) the Unit Buy-Back Mandate has been effective since 1 July 2018;
- (v) all Units repurchased under the Unit Buy-Back Mandate are cancelled;
- (vi) the repurchases of Units are funded solely by non-current external borrowings; and
- (vii) there are no changes to the distribution policy to Unitholders.

Based on the assumptions set out above, the financial effects of the repurchase of 54,530,110 Units (representing 2.5% of the issued Units as at the Latest Practicable Date) by the Manager pursuant to the Unit Buy-Back Mandate by way of (A) Market Repurchases and (B) Off-Market Repurchases, are set out below based on the audited consolidated financial statements of SGR and its subsidiaries (the “**SGR Group**”) for the financial year ended 30 June 2019 (“**FY2018/19**” and the audited consolidated financial statements of the SGR Group for FY2018/19, the “**FY2018/19 Audited Financial Statements**”):

		Pro forma financial effects of Unit repurchases on the FY2018/19 Audited Financial Statements	
		Market Repurchases	Off-Market Repurchases
	FY2018/19 Audited Financial Statements		
Net Assets (S\$ million)	1,930.0	1,885.5	1,883.4
Current Assets (S\$ million)	77.1	75.6	75.5
Current Liabilities (S\$ million)	163.5	163.5	163.5
Number of issued Units (as at the Latest Practicable Date) (million)	2,181.2	2,126.7	2,126.7
<u>Financial Ratios</u>			
Adjusted NAV per Unit (excluding outstanding distributable income) (S\$)	0.87	0.88	0.87
Distribution per Unit (cents)	4.48	4.52	4.52
Aggregate Leverage (%)	36.1	37.5	37.6

Unitholders should note that the financial effects set out in the table above are based on the FY2018/19 Audited Financial Statements and are presented strictly for illustrative purposes only. The results of the SGR Group for FY2018/19 may not be representative of future performance. Although the Unit Buy-Back Mandate would authorise the Manager to repurchase up to 2.5% of the total number of issued Units, the Manager may not necessarily repurchase or be able to repurchase the entire 2.5% of the total number of issued Units at any time while the Unit Buy-Back Mandate is in force.

3.8 Taxation

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

3.9 Black-Out Periods

The Manager will not repurchase any Units for and on behalf of SGR at any time after a material price sensitive development has occurred or has been the subject of a decision until such time the price sensitive information has been publicly announced. In addition, the Manager will not repurchase Units for and on behalf of SGR during the period commencing two weeks before the announcement of the SGR Group’s financial statements for each of the first three quarters of its financial year and one month before the announcement of the SGR Group’s full year financial statements.

3.10 Take-over Implications

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

3.10.1 Obligation to make a Take-over Offer

If, as a result of any repurchase by the Manager of the Units, the proportionate interest in the voting rights of a Unitholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Code. Consequently, a Unitholder or a group of Unitholders acting in concert could obtain or consolidate effective control of SGR and become obliged to make a mandatory take-over offer under Rule 14 of the Code.

3.10.2 Persons Acting in Concert

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

Unless the contrary is established, the following persons, among others, will be presumed to be acting in concert, namely:

- (i) the following companies:
 - (a) a company (“**A**”);
 - (b) the parent company of (A) (“**B**”);
 - (c) the subsidiaries of (A) (each, “**C**”);
 - (d) the fellow subsidiaries of (A) (each, “**D**”);
 - (e) the associated companies of any of (A), (B), (C), or (D) (each, “**E**”);
 - (f) companies whose associated companies include any of (A), (B), (C), (D) or (E); and
 - (g) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights; and
- (ii) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

For this purpose, a company is an “**associated company**” (as defined in the Code) of another company if the second company owns or controls at least 20.0% but not more than 50.0% of the voting rights of the first-mentioned company.

3.10.3 Effect of Rule 14 and Appendix 2 of the Code

In general terms, the effect of Rule 14 and Appendix 2 of the Code is that, unless exempted¹, Unitholders and/or persons acting in concert with them will incur an obligation to make a mandatory take-over offer under Rule 14 of the Code if, as a result of the Manager repurchasing Units by way of a Unit buy-back, the voting rights of such Unitholders and/or their concert parties would increase to 30.0% or more, or in the event that such Unitholders and/or their concert parties hold between 30.0% and 50.0% of the voting rights in SGR, if the voting rights of such Unitholders and/or their concert parties would increase by more than 1.0% in any period of six months.

Under Appendix 2 of the Code, a Unitholder not acting in concert with the Directors will not be required to make a mandatory take-over offer under Rule 14 of the Code if, as a result of the Manager repurchasing Units by way of a Unit buy-back, the voting rights of such Unitholder would increase to 30.0% or more, or, if such Unitholder holds between 30.0% and 50.0% of the voting rights in SGR, the voting rights of such Unitholder would increase by more than 1.0% in any period of six months. Such Unitholder need not abstain from voting in respect of the resolution relating to the Unit Buy-Back Mandate.

Based on the interests of the Substantial Unitholders (as defined herein) in Units recorded in the Register of Substantial Unitholders and information available to the Manager as at the Latest Practicable Date and before the purchase of Units, YTL Corporation Berhad and parties acting in concert with it (the “**YTL Group**”) have unitholdings (direct and deemed) of 817,991,502 Units (37.50%).

The unitholdings of the YTL Group after the repurchase of Units assuming:

- (a) the Manager purchases 54,530,110 Units, being the maximum limit of 2.5% of the issued Units under the Unit Buy-Back Mandate;
- (b) 10,755,575 new Units have been issued to the Manager (a wholly-owned subsidiary of YTL Corporation Berhad) as part payment of management fees in the first year of the asset enhancement works for Starhill Gallery as assumed in the pro forma financial effects (for illustrative purposes) in the circular to Unitholders dated 25 April 2019 in relation to the master tenancy agreements for SGR’s Starhill Gallery and Lot 10 Property; and
- (c) there is no other change in the number of Units held by the YTL Group as at the Latest Practicable Date,

will be 828,747,077 Units (38.77%).

In the above illustration, as at the Latest Practicable Date, the voting rights of the YTL Group may increase from 37.50% to 38.77% in the event the Manager purchases 54,530,110 Units, being the maximum limit of 2.5% of the issued Units under the Unit Buy-Back Mandate. In the event that YTL Corporation Berhad’s and its concert parties’ voting rights increase by more than 1.0% in any period of 6 months, the YTL Group will become obligated to make a mandatory take-over offer under Rule 14 of the Code.

The Manager intends to monitor and limit the extent of its repurchases under the Unit Buy-Back Mandate such that the voting rights of the YTL Group will not increase by more than 1.0% of the issued Units in any period of 6 months.

¹ Unitholders and/or persons acting in concert with them will be exempt from the requirement to make a mandatory take-over offer under Rule 14 of the Code upon the satisfaction of the conditions set out in paragraph 3(a) of Appendix 2 of the Code.

Save as disclosed above, none of the Substantial Unitholders would become obliged to make a take-over offer for SGR under Rule 14 of the Code as a result of any repurchase of Units by the Manager pursuant to the Unit Buy-Back Mandate of the maximum limit of 2.5% of its issued Units as at the Latest Practicable Date.

Important:

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all the implications that may arise under the Code. Unitholders are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity as to whether an obligation to make a mandatory take-over offer would arise by reason of any Unit repurchases by the Manager.

3.11 Unitholders' Approval

In view of the foregoing, the Manager is seeking the approval of Unitholders for the resolution relating to the Unit Buy-Back Mandate.

Important:

Unitholders should note that by voting in favour of the resolution relating to the Unit Buy-Back Mandate, they will be authorising the Manager to procure the repurchases of Units on the terms and conditions set out in paragraph 3 of this Letter and in accordance with the provisions of the Trust Deed (as proposed to be supplemented by the Trust Deed Supplement) and all applicable laws and regulations including, but not limited to the Listing Manual.

4 INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

4.1 Interests of Directors

Based on the Register of Directors' Unitholdings maintained by the Manager, the direct and deemed interests and voting rights of the directors of the Manager ("**Directors**") as at the Latest Practicable Date are as follows:

Name of Directors	Direct Interest		Deemed Interest		Total no. of Units	% ¹
	No. of Units	% ¹	No. of Units	% ¹		
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	–	–	–	–	–	–
Mr Ho Sing	150,000	0.007	54,000 ²	0.002	204,000	0.009
Dato' Yeoh Seok Kian	–	–	–	–	–	–
Mr Tan Bong Lin	–	–	–	–	–	–
Mr Ching Yew Chye	–	–	–	–	–	–
Mr Tan Woon Hum	–	–	–	–	–	–

Notes:

- 1 The percentage interest is based on total issued Units of 2,181,204,435 as at the Latest Practicable Date.
- 2 Mr Ho Sing is deemed interested in the 54,000 Units held by his spouse, Ms Tay Soo Sien.

4.2 Interests of Substantial Unitholders

Based on the information available to the Manager, the direct and deemed interests and voting rights of the Substantial Unitholders of SGR as at the Latest Practicable Date are as follows:

Name	Direct interest		Deemed interest		Total no. of Units	% ¹
	No. of Units	% ¹	No. of Units	% ¹		
YTL Hotels & Properties Sdn Bhd	130,140,379 ²	5.97	–	–	130,140,379	5.97
Starhill Global REIT Investments Limited	539,840,000 ³	24.75	–	–	539,840,000	24.75
YTL Cayman Limited	18,000,000 ⁴	0.83	552,777,885 ⁵	25.34	570,777,885	26.17
YTL Corporation Berhad	80,054,810 ⁶	3.67	728,904,432 ⁷	33.42	808,959,242	37.09
Yeoh Tiong Lay & Sons Holdings Sdn Bhd	–	–	808,959,242 ⁸	37.09	808,959,242	37.09
Yeoh Tiong Lay & Sons Family Holdings Limited	–	–	808,959,242 ⁸	37.09	808,959,242	37.09
Yeoh Tiong Lay & Sons Trust Company Limited	–	–	808,959,242 ⁸	37.09	808,959,242	37.09
Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong	–	–	808,959,242 ⁸	37.09	808,959,242	37.09
AIA Singapore Private Limited	161,070,000 ⁹	7.38	–	–	161,070,000	7.38
AIA Company Limited	3,500,000 ¹⁰	0.16	161,070,000 ¹¹	7.38	164,570,000	7.54
AIA Group Limited	–	–	164,570,000 ¹²	7.54	164,570,000	7.54
AIA Investment Management Private Limited	–	–	164,570,000 ¹³	7.54	164,570,000	7.54

Notes:

- The percentage interest is based on total issued Units of 2,181,204,435 as at the Latest Practicable Date.
- This relates to the 130,140,379 Units held through nominee, Raffles Nominees (Pte) Limited.
- This relates to the 539,840,000 Units held through nominee, Raffles Nominees (Pte) Limited.
- This relates to the 18,000,000 Units held through nominee, Raffles Nominees (Pte) Limited.
- Deemed interest in 539,840,000 Units held by Starhill Global REIT Investments Limited (“**SGRIL**”) and 12,937,885 Units held by YTL Starhill Global REIT Management Limited (“**YSGRM**”).
- This relates to 80,054,810 Units held through nominee, Raffles Nominees (Pte) Limited.
- Deemed interest in 539,840,000 Units held by SGRIL, 18,000,000 Units held by YTL Cayman Limited, 12,937,885 Units held by YSGRM, 130,140,379 Units held by YTL Hotels & Properties Sdn Bhd (“**YTLHP**”) and 27,986,168 Units held by Business & Budget Hotels (Penang) Sdn Bhd (“**BBHP**”).
- Deemed interest in 80,054,810 Units held by YTL Corporation Berhad, 539,840,000 Units held by SGRIL, 18,000,000 Units held by YTL Cayman Limited, 12,937,885 Units held by YSGRM, 130,140,379 Units held by YTLHP and 27,986,168 Units held by BBHP.
- This relates to the 161,070,000 Units held by AIA Singapore Private Limited through Citibank Nominees Singapore Pte Ltd.
- This relates to the 3,500,000 Units held by AIA Company Limited, Brunei Branch through Citibank Nominees Singapore Pte Ltd.

- 11 Deemed interest in 161,070,000 Units held by AIA Singapore Private Limited through Citibank Nominees Singapore Pte Ltd.
- 12 Deemed interest in 161,070,000 Units held by AIA Singapore Private Limited through Citibank Nominees Singapore Pte Ltd, and 3,500,000 Units held by AIA Company Limited, Brunei Branch through Citibank Nominees Singapore Pte Ltd.
- 13 AIA Investment Management Private Limited assumed investment management of the Units for its clients.

5 DIRECTORS' RECOMMENDATIONS

5.1 Trust Deed Supplement

Having considered the relevant factors, including the rationale for the proposed Trust Deed Supplement as set out in paragraph 2 of this Letter, the Directors recommend that Unitholders vote at the AGM in favour of the resolution relating to the proposed Trust Deed Supplement.

5.2 Unit Buy-Back Mandate

Having considered the relevant factors, including the rationale for the proposed Unit Buy-Back Mandate as set out in paragraph 3 of this Letter, the Directors recommend that Unitholders vote at the AGM in favour of the resolution relating to the proposed Unit Buy-Back Mandate.

6 DIRECTORS' RESPONSIBILITY STATEMENT

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

7 DOCUMENT ON DISPLAY

The Trust Deed will be available for inspection at the registered office of the Manager for so long as SGR is in existence.

Yours faithfully

YTL Starhill Global REIT Management Limited
(as manager of Starhill Global REIT)
(Company Registration No. 200502123C)

Ho Sing
Executive Director and Chief Executive Officer

IMPORTANT NOTICE

This Letter does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of Starhill Global REIT in Singapore or any other jurisdictions. The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, the Trustee, or any of their affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Unitholders have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of Starhill Global REIT is not indicative of the future performance of Starhill Global REIT. Similarly, the past performance of the Manager is not indicative of the future performance of the Manager.

This Letter may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate and foreign exchange trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

If you have sold or transferred all your Units, you should immediately forward this Letter, together with the Notice of AGM and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

GLOSSARY

%	:	Per centum or Percentage
AGM	:	The annual general meeting of Unitholders to be held at Grand Mandarin Ballroom, Level 6, Main Tower, Mandarin Orchard Singapore, 333 Orchard Road, Singapore 238867 on Tuesday, 29 October 2019 at 11.00 a.m., to approve the matters set out in the Notice of Annual General Meeting
Average Closing Price	:	The average of the closing market prices of the Units over the last five Market Days, on which transactions in Units were recorded, immediately preceding the date of the Market Repurchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Repurchase, and deemed to be adjusted for any corporate action that occurs after the relevant five Market Days
CDP	:	The Central Depository (Pte) Limited
Code	:	The Singapore Code on Take-overs and Mergers
date of the making of the offer	:	The date on which the Manager makes an offer for an Off-Market Repurchase, stating therein the repurchase price (which shall not be more than the Maximum Price for an Off-Market Repurchase) for each Unit and the relevant terms of the equal access scheme for effecting the Off-Market Repurchase
Directors	:	Directors of the Manager
DPU	:	Distribution per Unit
Extraordinary Resolution	:	A resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
FY2018/19	:	The financial year ended 30 June 2019
FY2018/19 Audited Financial Statements	:	The audited consolidated financial statements of the SGR Group (as herein defined) for FY2018/19
Latest Practicable Date	:	29 August 2019, being the latest practicable date prior to the printing of this Letter
Letter	:	This Letter dated 26 September 2019
Listing Manual	:	The Listing Manual of the SGX-ST
Manager	:	YTL Starhill Global REIT Management Limited, in its capacity as manager of SGR

Mandate Duration	:	Unless revoked or varied by Unitholders in a general meeting, the period commencing from the date on which the AGM is held and the Unit Buy-Back Mandate is approved and expiring on the earliest of the following dates: <ul style="list-style-type: none"> (i) the date on which the next annual general meeting of SGR (as herein defined) is held; (ii) the date by which the next annual general meeting of SGR is required by applicable laws and regulations or the provisions of the Trust Deed to be held; or (iii) the date on which the repurchases of Units by the Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated
Market Day	:	A day on which the SGX-ST is open for trading in securities
Market Repurchases	:	Repurchases of Units made by way of market repurchases
Maximum Price	:	Means <ul style="list-style-type: none"> (i) in the case of a Market Repurchase (in accordance with Rule 884 of the Listing Manual), 105.0% of the Average Closing Price of the Units; and (ii) in the case of an Off-Market Repurchase, 110.0% of the Average Closing Price of the Units, in either case, excluding Related Expenses of such repurchase
NAV	:	Net asset value
Notice of AGM	:	The notice dated 26 September 2019 convening the AGM of SGR
Off-Market Repurchases	:	Repurchases of Units made by way of off-market repurchases
Ordinary Resolution	:	A resolution proposed and passed as such by a majority being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
Public Float	:	Refers to the percentage of Units held by the public
Related Expenses	:	Brokerage, stamp duty, commission, applicable goods and services tax and other related expenses
S\$ and cents	:	Singapore dollars and cents
SGX-ST	:	Singapore Exchange Securities Trading Limited
SGR	:	Starhill Global Real Estate Investment Trust

SGR Group	:	SGR and its subsidiaries
Substantial Unitholder	:	A person with an interest in Units constituting not less than 5.0% of the total number of Units in issue
Trust Deed	:	The trust deed dated 8 August 2005 constituting SGR, as amended, varied, or supplemented from time to time
Trust Deed Supplement	:	The proposed supplement to the Trust Deed to include provisions regarding the repurchase and redemption of units of SGR in the manner set out in Annex A of this Letter
Unit	:	A unit representing an undivided interest in SGR
Unit Buy-Back	:	The repurchase of Units pursuant to the Unit Buy-Back Mandate
Unit Buy-Back Mandate	:	The proposed unit buy-back mandate to be given to the Manager by way of an Ordinary Resolution in a general meeting, to exercise its powers to procure the repurchases of Units for and on behalf of SGR without the prior specific approval of Unitholders at a general meeting
Unitholders	:	The registered holders for the time being of a Unit, including person(s) so registered as joint holders, except where the registered holder is CDP, the term “ Unitholder ” shall, in relation to Units registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Units
YTL Group	:	YTL Corporation Berhad and parties acting in concert with it

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

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

Any reference in this Letter to any enactment is a reference to that enactment for the time being amended or re-enacted.

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

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Unless otherwise stated in this Letter figures and percentages are rounded off where applicable.

PROPOSED TRUST DEED SUPPLEMENT

The proposed form of the amendments to the Trust Deed, subject to Unitholders passing the resolutions to approve the proposed Trust Deed Supplement is as set out below. For the avoidance of doubt, all terms and definitions used in this Annex A shall have the same meaning and construction as stated in the Trust Deed.

- that Clause 1.1 of the Deed be amended by inserting the following definition:

“Market Repurchase” shall have the meaning ascribed to it in Clause 7.7.1;”

- that the following definitions in Clause 1.1 of the Deed be amended to reflect the additions as indicated by the text in underline below and the deletions indicated by the text in strikethrough below:

~~“**Cancellation Market Price**” in relation to any Dealing Day means the Repurchase Price per Unit calculated in the event of a cancellation in accordance with Clause 7.3 read together with Clause 7.6 on such Dealing Day, excluding the Repurchase Charge (if any);~~

~~“**Cancellation Period**” means the period of seven calendar days from the date of subscription or purchase of Units whilst they are Unlisted or such other period as may be prescribed or permitted by the Authority PROVIDED that where the last day of the Cancellation Period falls on a Sunday or a public holiday in Singapore, the Cancellation Period shall be extended to the next calendar day not being a Sunday or a public holiday;~~

~~“**Dealing Day**” in connection with the issuance and repurchase of Units while the Trust is Unlisted, means every Business Day or such Business Day or Business Days at such intervals as the Manager may from time to time determine PROVIDED THAT reasonable notice of any such determination shall be given by the Manager to all Holders at such time and in such manner as the Trustee may approve;~~

~~“**Notice on Cancellation Period**” means the Notice on Cancellation Period for Collective Investment Schemes Constituted as Unit Trusts issued by the Authority pursuant to Sections 101 and 293 of the Securities and Futures Act;~~

~~“**Off-Market PRepurchase**” shall have the meaning ascribed to it in Clause 7.17.7.2;~~

~~“**Repurchase Price**” means the repurchase price referred to in Clause 7.67.3;~~

~~“**Subscription Amount**” in relation to any Holder of Unlisted Units for the purpose of the Cancellation Period means the original amount paid by such Holder, excluding any Preliminary Charge, in consideration for the relevant Unlisted Units at the time of subscription or purchase of such Unlisted Units;~~

~~“**Unit Buy-BackBuyback**” shall have the meaning ascribed to it in Clause 7.17.7;~~

~~“**Unit Buy-BackBuyback Mandate**” shall have the meaning ascribed to it in Clause 7.17.2.2;”~~

- that Clause 5.9 of the Deed be deleted in its entirety¹;

~~“5.9 Cancellation of Unlisted Units~~

~~The following provisions relating to cancellation of Units shall have effect in regard to the cancellation of Units upon the request of a Holder if and when Units become Unlisted (in this Clause, “Unlisted Units”). For the avoidance of doubt, these provisions do not apply prior to the Listing Date nor for the duration while Units are Listed on SGX-ST:~~

~~5.9.1 Every Holder shall have the right by notice in writing (in such form as may be determined by the Manager) delivered to the Manager or its authorised agents to cancel Unlisted Units held in his name PROVIDED THAT the Holder is:~~

~~(i) an individual; and~~

~~(ii) not an existing Holder who is purporting to cancel a subsequent subscription or purchase of Unlisted Units made after the Cancellation Period applicable to the initial subscription or purchase.~~

~~5.9.2 Any Holder who has the right to cancel his Unlisted Units under Clause 5.9.1 shall be required to exercise his right to cancel his Unlisted Units within the Cancellation Period.~~

~~5.9.3 The Manager shall not be obliged to cancel part only of a Holder’s holding of Unlisted Units unless required by the Notice on Cancellation Period or other applicable laws or regulations.~~

~~5.9.4 (i) During the offer period of Unlisted Units, where a cancellation request has been received by the Manager or its duly authorised agents on before the close of business on a Business Day, that request shall be deemed to have been received on that Business Day. Where a cancellation request has been received by the Manager or its duly authorised agents after the close of business on a Business Day or at any time on a day which is not a Business Day, that request shall be deemed to have been received on the next Business Day.~~

~~(ii) After the close of the offer period, where a cancellation request has been received by the Manager or its duly authorised agents on or before the relevant dealing deadline in relation to a particular Dealing Day, that request shall be deemed to have been received on that Dealing Day. Where a cancellation request has been received by the Manager or its duly authorised agents after the relevant dealing deadline in relation to a particular Dealing Day or at any time on a day which is not a Dealing Day, that request shall be deemed to have been received on the next Dealing Day.~~

~~(iii) The Manager shall on receipt by it or its duly authorised agents of a cancellation request pay or procure to be paid to the Holder making such a request, the proceeds arising from the cancellation of such Unlisted Units based on the cancellation price provided in Clause 5.9.5 within six Business Days or such other period as may be permitted by the Authority, unless the cancellation of Unlisted Units has been suspended in accordance with Clause 5.9.6.~~

¹ Clause 5.9 of the Trust Deed relates to provisions for buy back and cancellation of unlisted units which is now provided for under the Property Funds Appendix.

- 5.9.5 ~~The cancellation price per Unlisted Unit in respect of cancellation requests received:~~
- ~~(i) during the offer period shall be equal to the Subscription Amount divided by the number of Unlisted Units being cancelled; and~~
 - ~~(ii) after the close of the offer period shall be the lower of:
 - ~~(a) the Cancellation Market Price; or~~
 - ~~(b) the Subscription Amount divided by the number of Unlisted Units being cancelled;~~~~

~~Provided That:~~

- ~~(iii) any Preliminary Charge paid by the Holder at the time of subscription or purchase of the relevant Unlisted Units shall be refunded in full to the Holder upon cancellation;~~
- ~~(iv) any distributions declared during the Cancellation Period shall be paid to the Holder in accordance with Clause 11;~~
- ~~(v) in the case of paragraph (ii) above, any excess in the Cancellation Market Price of the Unlisted Units being cancelled over the Subscription Amount or in the Subscription Amount over the Cancellation Market Price of such Unlisted Units shall be retained by the Trust; and~~
- ~~(vi) the Manager shall be entitled to recover any administrative expenses incurred out of the cancellation proceeds to be paid, provided such expenses are reasonably related to the original purchase and subsequent cancellation of Unlisted Units of the Holder.~~

5.9.6 ~~The cancellation of Units shall be temporarily suspended during any period when the right of Holders to require realisation of Units is suspended pursuant to Clause 7.1.~~

5.9.7 ~~Clause 7.3 shall apply *mutatis mutandis* to the cancellation of Units pursuant to this Clause 5.9.~~

5.9.8 ~~The right of any Holder to cancel his Unlisted Units during the Cancellation Period shall be without prejudice to his right to require the realisation of his Unlisted Units in accordance with Clause 7."~~

- that Clause 7 of the Deed be deleted in its entirety and the following insertions indicated by the underlined text below be inserted as the new Clause 7 of the Deed:

"7 REPURCHASE AND REDEMPTION OF UNITS BY MANAGER

7.1 Repurchase and Redemption Restrictions when Trust is Unlisted

When the Trust is Unlisted, the Manager may, but is not obliged to, repurchase or cause the redemption of Units more than once a year in accordance with the Property Funds Appendix and a Holder has no right to request for the repurchase or redemption of Units more than once a year. Where the Manager offers to repurchase or cause the redemption of Units issued when the Trust is Unlisted and, upon acceptance of such an offer, the Manager shall do so at the Repurchase Price calculated in accordance with Clause 7.3.

7.2 Repurchase and Redemption Restrictions when Trust is Listed

7.2.1 General

The Manager is not obliged to repurchase or cause the redemption of Units so long as the Trust is Listed. Where the Manager offers to repurchase or cause the redemption of Units issued when the Trust is Listed and, upon acceptance of such an offer, the Manager shall do so at the Repurchase Price calculated in accordance with Clause 7.3. In the event the Manager decides to repurchase or cause the redemption of Units, such repurchase or redemption must comply with the relevant laws, regulations and guidelines (including but not limited to the Listing Rules and/or the listing rules of any other relevant Recognised Stock Exchange and the Property Funds Appendix) and where the terms of such repurchase or redemption are not prescribed by the relevant laws, regulations and guidelines (including but not limited to the Listing Rules and/or the listing rules of any other relevant Recognised Stock Exchange and the Property Funds Appendix), on terms determined by mutual agreement with the Trustee. The Manager may, subject to the relevant laws, regulations and guidelines (including but not limited to the Listing Rules and/or the listing rules of any other relevant Recognised Stock Exchange and the Property Funds Appendix), suspend the repurchase or redemption of Units for any period when the issue of Units is suspended pursuant to Clause 5.7¹.

7.2.2 Holders' Approval

For so long as the Trust is Listed on the SGX-ST, the Manager may repurchase or otherwise acquire its issued Units on such terms and in such manner as the Manager may from time to time think fit if it has obtained the prior approval of Holders in general meeting by passing an Ordinary Resolution (the "Unit Buy-Back Mandate"), in accordance with the provisions of this Deed but subject thereto and to other requirements of the relevant laws, regulations and guidelines.

7.2.3 Maximum Limit

The total number of Units which may be repurchased pursuant to any Unit Buy-Back Mandate is limited to that number of Units representing not more than 10% of the total number of issued Units as at the date of the general meeting when such Unit Buy-Back Mandate is approved by Holders.

7.2.4 Duration of Authority

Repurchases of Units may be made during the Relevant Period.

"Relevant Period" is the period commencing from the date of the general meeting at which a Unit Buy-Back Mandate is sought and the resolution relating to the Unit Buy-Back Mandate is passed, and expiring on:

- (i) the date the next AGM is or is required by applicable laws and regulations or the provisions of this Deed to be held, whichever is earlier; or

¹ Clause 5.7 of the Trust Deed relates to suspension of issue of units (subject to listing rules) during certain events including any period of closure of SGX-ST, 72 hours before any general meeting, or when the business operations of the Manager or the Trustee are substantially interrupted or closed as a result of events such as terrorism and acts of God.

(ii) the date on which the repurchases of Units by the Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Unit Buy-Back Mandate is revoked or varied,

whichever is earliest.

For the avoidance of doubt, the authority conferred on the Manager by the Unit Buy-Back Mandate to repurchase Units may be renewed at the next general meeting.

7.3 Repurchase Price

For the purposes of Clauses 7.1 and 7.2, the Repurchase Price shall be (whether or not the Trust is Listed or has been Unlisted at the time the Manager's offer to repurchase or redeem Units is made), such price as determined in accordance with the relevant laws, regulations and guidelines.

The Repurchase Charge¹ shall be retained by the Manager for its own benefit and the adjustment shall be retained as part of the Deposited Property. The Manager may on any day differentiate between Holders as to the amount of the Repurchase Charge to be included (within the permitted limit) in the Repurchase Price of Units to be repurchased by the Manager from them respectively. The bases on which the Manager may make any differentiation as between Holders shall include, without limitation, Holders with large holdings of Units and Holders who have opted for a distribution reinvestment arrangement. Once a request for repurchase or redemption is given by Holders pursuant to an offer by the Manager pursuant to Clause 7.1, it cannot be revoked without the consent of the Manager. The Manager may, subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange, suspend the repurchase or redemption of Units during any period when the issue of Units is suspended pursuant to Clause 5.7. For the avoidance of doubt, the Repurchase Charge shall not be payable while the Units are Listed.

7.4 Repurchase or Redemption Options of Manager

In the event the Manager decides to make any offer to repurchase or redeem Units, the Manager shall have the following options:

7.4.1 to procure some other person (such as brokers) to purchase the Units and such purchase shall be deemed to be a repurchase by the Manager within the meaning of this Clause 7; or

7.4.2 PROVIDED THAT there is sufficient Cash in the Trust, and subject to compliance with the relevant laws, regulations and guidelines, to request and cause the Trustee to repurchase or redeem the Units out of the assets of the Trust by paying from the Deposited Property a sum sufficient to

¹ **"Repurchase Charge"** is applicable only when SGR is unlisted and is defined in the Trust Deed to mean "a charge upon the repurchase or redemption of a Unit of such amount as may from time to time be fixed by the Manager generally or in relation to any specific or class of transaction PROVIDED THAT it shall not exceed two per cent. (or such other percentage as the Manager and the Trustee may agree) of the Repurchase Price at the time the request for repurchase or redemption of the Unit is accepted by the Manager; such expression in the context of a given date shall refer to the charge or charges fixed by the Manager pursuant to this Deed and applicable on that date, provided that such charge shall not apply while the Units are Listed."

satisfy the Repurchase Price and the Repurchase Charge (if any) of the Units. The Trustee shall only comply if, in the opinion of the Trustee, sufficient Cash would be retained in the Deposited Property after the release of Cash necessary to comply with the redemption notice to meet other Liabilities, including but without limiting the generality thereof, the Property Expenses and the remuneration due to the Trustee and the Manager under this Deed. Should the Trustee advise the Manager that, in the opinion of the Trustee, sufficient Cash would not be retained in the Deposited Property to meet other Liabilities if the Trustee were to release the funds necessary to comply with any redemption notice, then the Manager may, at its absolute discretion, request the Trustee to sell, mortgage or otherwise deal with the Investments or borrow to raise sufficient Cash to redeem the Units pursuant to this Clause 7.4.2.

7.5 Amendments to Register

Upon delivery to the Trustee of a written statement signed by or on behalf of the Manager that all the Units or a specified number of Units held by a Holder have been repurchased by the Manager or have been purchased by another person or have been redeemed, the Trustee shall remove or procure the removal of the name of the Holder from the Register in respect of all or (as the case may be) such number of Units.

7.6 Redeemed Units are Cancelled

Units which are redeemed shall thereupon be cancelled and shall not thereafter be reissued but this Clause 7.6 shall not limit or restrict the right of the Manager to cause the creation and/or issue of further or other Units.

7.7 Manner of Repurchase

Subject always to the requirements of the relevant laws, regulations and guidelines, for so long as the Trust is Listed, the Manager may:

7.7.1 repurchase or acquire Units on a securities exchange (“**Market Repurchase**”); or

7.7.2 make an offer to repurchase Units, otherwise than on a securities exchange and by way of an “off-market” acquisition of the Units on an “equal access scheme” (as defined below) (“**Off-Market Repurchase**”),

(each a form of “**Unit Buy-Back**”), and to deal with any of the Units so purchased or acquired in accordance with this Clause 7.

For the purpose of this Clause 7, an equal access scheme is a scheme which satisfies the following criteria:

- (i)** the offers under the scheme are to be made to every person who holds Units to purchase or acquire the same percentage of their Units;
- (ii)** all of those persons have a reasonable opportunity to accept the offers made to them; and

- (iii) the terms of all the offers are the same except that there shall be disregarded:
 - (a) differences in consideration attributable to the fact that the offers relate to Units with different accrued distribution entitlements;
 - (b) differences in consideration attributable to the fact that the offers relate to Units with different amounts remaining unpaid; and
 - (c) differences in the offers introduced solely to ensure that each Holder is left with a whole number of Units.

7.8 Procedure for Repurchase of Units via a Market Repurchase

For so long as the Trust is Listed, where Units are repurchased via a Market Repurchase, the notice of general meeting specifying the intention to propose a resolution to authorise a Market Repurchase shall:

- 7.8.1 specify the maximum number of Units or the maximum percentage of Units authorised to be acquired or purchased;
- 7.8.2 determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion);
- 7.8.3 specify a date on which the authority is to expire, being a date that must not be later than the date on which the next AGM is, or is required by law to be, held, whichever is earlier; and
- 7.8.4 specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

The resolution authorising a Market Repurchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 7.8.1 to 7.8.3.

The authority for a Market Repurchase may, from time to time, be varied or revoked by the Holders in a general meeting. A resolution to confer or vary the authority for a Market Repurchase may determine the maximum price for purchase or acquisition by:

- (i) specifying a particular sum; or
- (ii) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

7.9 Procedure for Repurchase of Units via an Off-Market Repurchase

7.9.1 For so long as the Trust is Listed, where Units are repurchased via an Off-Market Repurchase, the notice of general meeting specifying the intention to propose a resolution to authorise an Off-Market Repurchase shall:

- (i) specify the maximum number of Units or the maximum percentage of Units authorised to be acquired or purchased;
- (ii) determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion);
- (iii) specify a date on which the authority is to expire, being a date that must not be later than the date on which the next AGM is, or is required by law to be, held, whichever is earlier; and
- (iv) specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

The resolution authorising an Off-Market Repurchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 7.9.1(i) to 7.9.1(iii).

The authority for an Off-Market Repurchase may, from time to time, be varied or revoked by the Holders in a general meeting. A resolution to confer or vary the authority for an Off-Market Repurchase may determine the maximum price for purchase or acquisition by:

- (a) specifying a particular sum; or
- (b) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

7.9.2 For so long as the Trust is Listed, in the event that the Manager decides to make any offer to repurchase Units via an Off-Market Repurchase, the Manager will send an offer notice to Holders in accordance with the Listing Rules. Holders wishing to take up the offer will be asked to respond by sending a request in writing for the repurchase of their Units. At such request in writing of a Holder (or, in the case of Joint Holders, all the Joint Holders), the Manager will repurchase, in accordance with this Clause 7, such of the Units entered against his name in the Register or the Depository Register (as the case may be) as are required by the Holder to be repurchased.

7.10 Reporting Requirements

Subject to the relevant laws, regulations and guidelines, for so long as the Trust is Listed on the SGX-ST, the Manager shall:

7.10.1 notify the SGX-ST (in the form of an announcement on the SGX-ST) of all purchases of Units in accordance with the Listing Rules and in such form and with such details as the SGX-ST may prescribe; and

7.10.2 make an announcement on the SGX-ST at the same time it notifies the SGX-ST of any purchase of Units pursuant to any Unit Buy-Back Mandate, that the board of directors of the Manager is satisfied on reasonable grounds that, immediately after the purchase of Units, the Manager will be able to fulfil, from the Deposited Property, the Liabilities as these liabilities fall due”.

7 REPURCHASE AND REDEMPTION OF UNITS BY MANAGER

7.1 Repurchase and Redemption of Units by the Manager when Trust is Listed

~~The Manager is not obliged to but may repurchase and/or redeem Units for as long as the Trust is Listed. Subject always to the requirements of the Property Funds Guidelines and the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange being complied with, the Manager may, in the course of acting on or executing the principal investment strategy of the Trust (referred to in Clause 10.2.1), procure the approval of the Holders by an Ordinary Resolution to, or upon written instruction from all Holders to the Trustee (a “Unit Buyback Mandate”), establish a scheme (“Unit Buyback Scheme”) which enables the Manager to:~~

- ~~(a) purchase or acquire Units on a securities exchange (“On-Market Purchase”); or~~
- ~~(b) make an offer to repurchase and/or redeem Units, otherwise than on a securities exchange and by way of an “off-market” acquisition of the Units on an “equal access scheme” (“Off-Market Purchase”),~~

~~(each a form of “Unit Buyback”), and to deal with any of the Units so purchased or acquired, repurchased or redeemed under the Unit Buyback Scheme in accordance with Clause 7.13. The Manager may give to the Trustee any direction or instruction in connection thereto and the Trustee shall give effect to all such direction or instruction in order that such Unit Buyback Mandate may be fulfilled, and the Manager and the Trustee shall not be liable to any Holder for any loss which the Holder may suffer or incur as a result of or in connection with the Holder’s decision to sell or redeem the Holder’s Units under the Unit Buyback Scheme or otherwise pursuant to this Clause 7.~~

~~The Manager may also cause the redemption of Units so long as the Trust is Listed. In the event the Manager decides to make any offer to repurchase or redeem Units by way of an Off-Market Purchase, the Repurchase Price for a Unit shall be the Current Unit Value. In the event the Manager decides to permit the redemption of Units, such redemption must comply with the Property Funds Guidelines and the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange. Any offer to redeem Units pursuant to this Clause 7.1 is required to be made known publicly to investors through the SGX-ST at least~~

~~14 calendar days before the offer is posted or such other time period as may be applicable under the listing rules of any other relevant Recognised Stock Exchange. The Manager may, subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange, suspend the repurchase or redemption of Units pursuant to this Clause 7.1 for any period when the issue of Units is suspended pursuant to Clause 5.7. Any offer of repurchase or redemption of Units by way of an Off-Market Purchase shall be offered on a pro rata basis to all Holders.~~

7.2 ~~Repurchase and Redemption when Listed Units are Suspended or De-Listed~~

~~If Listed Units have been suspended for at least 60 consecutive calendar days or de-listed from the SGX-ST, the Manager is required by the Property Funds Guidelines to offer to redeem the Units within 30 calendar days from (i) the end of the 60th consecutive calendar day of suspension or (ii) such de-listing. In offering such redemption, the Manager is required by the Property Funds Guidelines to offer at least 10 per cent. of the Deposited Property to satisfy redemption requests received pursuant to the offer, and to follow the procedures set out by applicable regulations in this connection. Should a trading suspension be lifted within 30 calendar days after the end of the 60th consecutive calendar day of such suspension, the Manager has the option under the Property Funds Guidelines to withdraw any redemption offer made. Should the trading suspension be lifted after the offer period to redeem has commenced, the Manager is required by the Property Funds Guidelines to satisfy all redemption requests which have been received prior to the date the trading suspension is lifted. The Manager will not be obliged to satisfy these redemption requests received after the date the trading suspension is lifted. If the Trust continues to be suspended indefinitely or has been de-listed from the SGX-ST, the Manager is required to offer to redeem Units at least once a year after the first offer to redeem Units on a suspension or de-listing explained above has closed. In other words, the Trust will then be treated as an unlisted property fund under the Property Funds Guidelines.~~

7.3 ~~Repurchase and Redemption when Trust is Unlisted~~

~~For so long as the Trust is Unlisted after the Listing Date, the Manager must offer to redeem Units at least once a year in accordance with the Property Funds Guidelines, and any Units of which the Manager is or is deemed to be the Holder shall be treated on the same basis as any other Units held by Holders. The Manager will send an offer notice to Holders in the event of any such offer to redeem Units. Holders wishing to take up the offer will be asked to respond by sending a request in writing for the repurchase or redemption of their Units. At such request in writing of a Holder (or, in the case of Joint-All Holders, all the Joint-All Holders and, in the case of Joint-Alternate Holders, any one of the Joint-Alternate Holders), the Manager will repurchase or cause to be repurchased or redeemed, in accordance with this Clause 7 and the Property Funds Guidelines, such of the Units in relation to which the Holder is registered in the Register as are required by the Holder to be repurchased. At all times during which the Trust is Listed, the remaining provisions of this Clause 7 shall not apply.~~

7.4 ~~Repurchase and Redemption prior to Listing Date~~

~~Prior to the Listing Date, the Manager is not obliged to repurchase or cause the redemption of Units and a Holder has no right to request for the repurchase or redemption of Units. For the avoidance of doubt, it is expressly provided therein that at any time prior to the Listing Date, the Trust is not subject to compliance with~~

~~the provisions of paragraphs 11.3 and 11.4 of the Property Funds Guidelines relating to the obligation of the Manager to redeem Units at least once a year. The Manager may offer to repurchase or cause the redemption of Units issued prior to the Listing Date and, in such an event, the Manager upon acceptance of its offer to repurchase or redeem any such Units shall do so at a Repurchase Price in accordance with Clause 7.6.~~

7.5 Minimum Holding

~~A Holder shall not be entitled hereunder to the repurchase or redemption of part only of his holding of Units if thereby his holding would be reduced to less than the Minimum Holding and, in any such event, the Manager shall be entitled to repurchase all of his holding of Units (or cause all of his holding of Units to be redeemed) if by such Holder's request his holding would be so reduced, and the provisions of this Clause 7 are to be read and construed subject thereto.~~

7.6 Repurchase Price

~~Following receipt of the request for repurchase or redemption from any Holder, the Repurchase Price for the Units that are the subject of the request shall be paid by the Manager or caused by the Manager to be paid to the Holder as soon as practicable after the date of the receipt of the request. For the purposes of Clauses 7.3 and 7.4, the Repurchase Price shall be the Current Unit Value of the relevant Unit on the day the request is accepted by the Manager less the Repurchase Charge (if any) and less an amount to adjust the resultant total downwards to the nearest whole cent. The Manager may on any day differentiate between Holders as to the amount of the Repurchase Charge to be included (within the permitted limit) in the Repurchase Price of Units to be repurchased by the Manager from them respectively. The Repurchase Charge shall be retained by the Manager for its own benefit and the adjustment shall be retained as part of the Deposited Property. The bases on which the Manager may make any differentiation as between Holders shall include, without limitation, Holders with large holdings of Units, Holders who have opted for a distribution reinvestment arrangement and an incentive to Holders to hold the Units for longer periods of time. A request for repurchase or redemption from any Holder once given cannot be revoked without the consent of the Manager. The Manager may suspend the repurchase or redemption of Units during any period when the issue of Units is suspended pursuant to Clause 5.7. Any changes to the circumstances in which Holders may redeem Units as provided in Clause 7, including the method of determining the Repurchase Price, will require the prior approval of the Trustee, and the Trustee shall determine if Holders should be informed of such changes.~~

7.7 Repurchase Procedure (pursuant to any Holder's Request)

~~In relation to any repurchase or redemption request from any Holder and within the time limit specified in Clause 7.6 or the Property Funds Guidelines (as the case may be) as set out in Clause 7.3 in the case of an offer to redeem Units pursuant to the event(s), the Manager shall have the following options:~~

~~**7.7.1** to effect the repurchase out of its own funds (upon which repurchase the Manager shall be entitled to the Units concerned and to the benefit of the Units concerned);~~

~~7.7.2 to procure some other person to purchase the Units and such purchase shall be deemed to be a repurchase by the Manager within the meaning of this Clause 7; or~~

~~7.7.3 PROVIDED THAT there is sufficient Cash in the Trust, to request and cause the Trustee to redeem the Units out of the assets of the Trust by paying from the Deposited Property a sum sufficient to satisfy the Repurchase Price and the Repurchase Charge (if any) of the Units.~~

7.8 Amendments to Register

~~Upon delivery to the Trustee of a written statement signed by or on behalf of the Manager that all the Units or a specified number of Units held by a Holder have been repurchased by the Manager or have been purchased by another person or have been redeemed, the Trustee shall remove or procure the removal of the name of the Holder from the Register in respect of all or such number of Units, as the case may be.~~

7.9 Redemption of Units

~~If the Manager decides in its absolute discretion to take the course of action referred to in Clause 7.7.3 then it shall give a redemption notice within 30 Business Days of receipt of the Holder's request for repurchase or redemption to the Trustee, requesting the Trustee to redeem the relevant Units and shall specify therein the Repurchase Price to be paid for such Units. Subject to the provisions of Clause 7.10, the Trustee shall as soon as practicable and as may be prescribed by the Property Funds Guidelines after its receipt of the redemption notice comply with the redemption notice by releasing to the Manager out of the available cash of the Deposited Property the Repurchase Price of the Units and the Repurchase Charge and shall thereupon redeem the relevant Units.~~

7.10 Funds Available for Redemption

~~The Trustee shall only comply with any redemption notice if, in the opinion of the Trustee, sufficient cash would be retained in the Deposited Property after the release of cash necessary to comply with the redemption notice to meet other liabilities of the Trust, including but without limiting the generality thereof, the Property Expenses and the remuneration due to the Trustee and the Manager under this Deed.~~

7.11 Procedure if Insufficient Funds

~~Should the Trustee advise the Manager that in the opinion of the Trustee sufficient cash would not be retained in the Deposited Property to meet other liabilities of the Trust if the Trustee were to release the funds necessary to comply with any redemption notice, then the Manager may at its absolute discretion request the Trustee to sell, mortgage or otherwise deal with the Investments or borrow to raise sufficient cash to redeem the Units pursuant to Clause 7.7.3.~~

7.12 Restriction on Repurchase and Redemption, (pursuant to any Holder's Request)

~~The Manager may, with the approval of the Trustee and after the Listing Date subject to the Property Funds Guidelines, limit the total number of Units which Holders may request the Manager to repurchase or redeem on any offer pursuant to Clause 7.2 or Clause 7.3 to 10 per cent. of the total number of Units then in~~

~~issue (disregarding any Units which have been agreed to be issued), such limitation to be applied pro rata to all Holders who have validly requested repurchase or redemption on such offer. The Manager may suspend the repurchase or redemption of Units for any period when the issue of Units is suspended pursuant to Clause 5.7.~~

7.13 Repurchased and Redeemed Units

~~Units which are repurchased or redeemed pursuant to this Clause 7 shall at the Manager's sole discretion thereupon (wholly or in part thereof) either be (a) cancelled and shall not thereafter be reissued or (b) held as Units which shall not carry any voting rights, Distribution Entitlement and rights to distribution of assets pursuant to Clause 27.4, save that such Units may be subject to consolidation, subdivision and/or entitlement to bonus units issue ("**Treasury Units**") and the Trustee shall cause the names of the Manager and/or the Trustee (as the case may be) as Holder of the Treasury Units on behalf of the Trust, to be entered on the Register and the Depository Register in respect of such Treasury Units and this Clause 7.13 shall not limit or restrict the right of the Manager to cause the creation of and/or issue of further or other Units.~~

~~For the avoidance of doubt, where any Treasury Units are held by the Manager and/or the Trustee (as the case may be) as Holder on behalf of the Trust, the Manager may at any time:~~

- ~~(a) sell or procure the sale of the Treasury Units (or any of them) for cash;~~
- ~~(b) transfer or procure the transfer of the Treasury Units (or any of them) for the purposes of or pursuant to an employees' unit scheme or other similar scheme;~~
- ~~(c) transfer or procure the transfer of the Treasury Units (or any of them) as consideration for the acquisition of Units/shares in or assets of another trust/company or assets of a person;~~
- ~~(d) cancel or procure the cancellation of the Treasury Units (or any of them); or~~
~~sell or procure the sale of, transfer or procure the transfer of, or otherwise use the Treasury Units for such other purposes, as the Minister of Finance may by order prescribe, or pursuant to any other applicable law or regulation.~~

- that Clause 10.11.1(ii) of the Deed be amended to reflect the addition as indicated by the text in underline below and the deletions indicated by the text in strikethrough below:

~~"**10.11.1** Subject to Clause 10.11.3 and on and after the Listing Date, the Property Funds Appendix, the Manager may whenever:~~

~~...~~

- ~~(ii) the Manager considers it desirable that moneys be borrowed or raised to finance the Acquisition Costs of any Authorised Investment or the repurchase or redemption of Units by the Manager pursuant to Clause 7.107.4,"~~

