



SINGHAIYI GROUP LTD.
(Company Registration No. 198803164K)
(Incorporated in the Republic of Singapore)

COMPLETION OF THE ACQUISITION OF PARK MALL

1. INTRODUCTION

- 1.1** The board of directors (the “**Board**”) of SingHaiyi Group Ltd. (the “**Company**”) refers to the Company’s announcement on 30 June 2015 (the “**30 June 2015 Announcement**”) where the Board announced that Phoenix 99 Pte. Ltd. (“**SHG SPV**”), which is a wholly-owned subsidiary of the Company, had on 29 June 2015 entered into a joint venture with Haiyi Holdings Pte. Ltd. (“**GT SPV**”) and Suntec (PM) Pte. Ltd. (together with SHG SPV and GT SPV, the “**JV Partners**”) to form a joint venture company, Park Mall Investment Limited (the “**JV Entity**”), on a 35:35:30 ownership basis, for the purpose of acquiring, through a wholly-owned subsidiary of the JV Entity, Park Mall Pte. Ltd. (the “**Singapore Company**”), from the trustee of Suntec Real Estate Investment Trust (the “**Suntec Trustee**”), the property known as “Park Mall” (the “**Property**”), located at 9 Penang Road, Singapore 238459 for an aggregate consideration of S\$411.8 million (the “**Purchase Price**”) (the “**Joint Venture**”).
- 1.2** The Joint Venture was established with the intention of acquiring the Property (the “**Acquisition**”) for redevelopment into two office blocks with a retail component (the “**New Building**”). The Singapore Company entered into a conditional sale and purchase agreement on 29 June 2015 with the Suntec Trustee in relation to the Acquisition (the “**SPA**”).

Unless otherwise defined, capitalised terms used herein shall bear the same meaning ascribed to them in 30 June 2015 Announcement.

2. RATIONALE FOR THE JOINT VENTURE

- 2.1** As mentioned in 30 June 2015 Announcement, the Company believes that the Joint Venture is beneficial as:
- (i) it provides the Company with the opportunity to acquire a property located in a prime district of Singapore and achieve potential upside through redevelopment;
 - (ii) it will allow the Company to expand its investment and development portfolio in Singapore; and
 - (iii) it taps on the expertise and network of its JV Partners.

- 2.2 The Company's investment in the Joint Venture represents a further expansion of the Company's core business of property development in Singapore.

3. COMPLETION

- 3.1 The Board wishes to announce that all the Conditions Precedent have been satisfied and, pursuant to the terms of the SPA, the Singapore Company has today paid the balance of the Purchase Price of S\$391.2 million (the "**Balance Consideration**"), which has been funded by each JV Partner pro-rata to its shareholding in the JV Entity as part of their equity commitments.
- 3.2 Following payment of the Balance Consideration, the Board is pleased to announce that completion of the Acquisition has taken place in accordance with the terms of the SPA ("**Completion**").

4. REDEVELOPMENT PLANS

- 4.1 The redevelopment plan is to build the New Building mainly for office use. The New Building will be a mixed use commercial development comprising office spaces with prestigious Grade "A" finishes and a lofty drop-off entrance, ancillary retail spaces at ground level, and covered parking facilities. The New Building is conveniently located at the gateway of Singapore's Orchard Road shopping district and Civic District, and is well connected with major arterial roads (e.g. Central Expressway) and commuter facilities (e.g. Dhoby Ghaut MRT).
- 4.2 Under the Joint Venture, (i) SHG SPV and GT SPV acting collectively will have the ability to acquire one office block (the "**SHG Office Block**") and will have the right of first refusal to acquire the Retail Podium and (ii) the Suntec Trustee will have the ability to acquire one office block (the "**Suntec Office Block**"), following strata-subdivision of the New Building (but not earlier than 12 months after the date of issuance of TOP for the New Building).

The Company reserves the flexibility to realise the value in the SHG Office Block that it acquires through strata-sale of the individual units and/or to lease the units under the SHG Office Block for recurring income.

5. ENTRY INTO ANCILLARY AGREEMENTS

- 5.1 Further to Completion, the JV Entity shall carry on the business of holding the Property, the redevelopment of the Property and operating, maintaining, managing, leasing, repositioning, refurbishing or improving the New Building to maximise the income generating potential of the New Building.
- 5.2 In conjunction with the redevelopment and management of the Property, the JV Entity has, following Completion:

- (i) appointed a wholly-owned subsidiary of the Company, SingHaiyi Development Pte. Ltd., as the development manager for the redevelopment of the Property to provide professional project and development management services in relation to the redevelopment of the Property;
- (ii) appointed ARA Managers (Harmony V) Pte Ltd as the asset manager of the Property to provide asset management services to the Singapore Company which includes, *inter alia*, overseeing and managing legal, tax and corporate secretarial matters in relation to the Property;
- (iii) appointed APM Property Management Pte Ltd as the property manager of the Property to provide management services, including operations, sales and marketing services, and to operate, manage and maintain the Property and the New Building on behalf of the Singapore Company; and
- (iv) appointed ARA Harmony V Limited as the strategic advisor to the JV Entity and the JV Partners in connection with the Joint Venture to provide consultancy services with respect to various exit strategies relating to the New Building.

BY ORDER OF THE BOARD

Chen Huaidan @ Celine Tang
Group Managing Director

22 December 2015
Singapore

*This Announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Company's Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Company's Sponsor has not independently verified the contents of this Announcement.*

This Announcement has not been examined or approved by SGX-ST and SGX-ST assumes no responsibility for the contents of this Announcement, including the correctness of any of the statements or opinions made or reports contained in this Announcement.

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