

**EXIT OFFER LETTER DATED 15 JULY 2013**

**THIS EXIT OFFER LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt about the matters contained in this Exit Offer Letter or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately. United Overseas Bank Limited is acting for and on behalf of UOL Group Limited and does not purport to advise any Shareholder (as defined herein) or any other person.**

If you have sold or transferred all your Shares (as defined herein) held through CDP (as defined herein), you need not forward this Exit Offer Letter and the accompanying FAA (as defined herein) to the purchaser or transferee, as CDP will arrange for a separate Exit Offer Letter and FAA to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not held through CDP, you should immediately hand this Exit Offer Letter and the accompanying FAT (as defined herein) to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale, for onward transmission to the purchaser or transferee.

**The views of the Independent Director (as defined herein) and the IFA (as defined herein) on the Delisting Proposal (as defined herein) and the Exit Offer (as defined herein) are set out in the Delisting Circular (as defined herein), which is despatched together with this Exit Offer Letter. You may wish to consider their views before taking any action in relation to the Exit Offer.**

The SGX-ST (as defined herein) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Exit Offer Letter.

**EXIT OFFER**

in connection with

**THE PROPOSED VOLUNTARY DELISTING OF PAN PACIFIC HOTELS GROUP LIMITED FROM  
THE OFFICIAL LIST OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

by



**UNITED OVERSEAS BANK LIMITED**

(Incorporated in the Republic of Singapore)  
Company Registration Number: 193500026Z

for and on behalf of



**UOL GROUP LIMITED**

(Incorporated in the Republic of Singapore)  
Company Registration Number: 196300438C

to acquire all the issued ordinary shares in the capital of



**PAN PACIFIC HOTELS GROUP LIMITED**

(Incorporated in the Republic of Singapore)  
Company Registration Number: 196800248D

other than those held, directly or indirectly, by UOL Group Limited as at the date of the Exit Offer

**Please call the UOB helpline at (65) 6539 7066 during office hours if you have any queries in connection with the Exit Offer or if you need assistance to complete the Acceptance Forms (as defined herein).**



## UNITED OVERSEAS BANK LIMITED

(Incorporated in the Republic of Singapore)  
Company Registration Number: 193500026Z

80 Raffles Place  
UOB Plaza  
Singapore 048624

15 July 2013

To: The Shareholders of Pan Pacific Hotels Group Limited

Dear Sir/Madam

### THE PROPOSED VOLUNTARY DELISTING OF PAN PACIFIC HOTELS GROUP LIMITED – EXIT OFFER LETTER

#### 1. INTRODUCTION

##### 1.1 Joint Announcement

On 10 May 2013 (the “**Joint Announcement Date**”), Pan Pacific Hotels Group Limited (the “**Company**”) and UOL Group Limited (the “**Offeror**”) jointly announced that the Offeror has presented to the board of directors of the Company (the “**Directors**”) a formal proposal (the “**Delisting Proposal**”) to seek the voluntary delisting of the Company (the “**Delisting**”) from the Official List of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST (the “**Listing Manual**”).

##### 1.2 Extraordinary General Meeting

The Company will be convening an extraordinary general meeting (the “**EGM**”) on 30 July 2013 to seek the approval of the shareholders of the Company (the “**Shareholders**”) for the Delisting.

##### 1.3 Exit Offer Letter

This Exit Offer Letter contains the terms of the exit offer (“**Exit Offer**”) made by United Overseas Bank Limited (“**UOB**”), for and on behalf of the Offeror, to acquire all the issued ordinary shares in the capital of the Company (the “**Shares**”)¹, other than those Shares already held directly or indirectly by the Offeror as at the date of the Exit Offer (the “**Offer Shares**”).

**Please note that the Exit Offer is conditional upon the Approval of Delisting Resolution Condition (as defined below) being fulfilled. If such condition is not fulfilled, the Delisting will not proceed, the Company will remain listed on the Official List of the SGX-ST and the Exit Offer will lapse. Please refer to paragraph 2.2 for further details.**

The Exit Offer may only be accepted by the relevant Shareholders to whom this Exit Offer Letter is addressed.

This Exit Offer Letter, together with the Form of Acceptance and Authorisation for Offer Shares (“**FAA**”) and/or the Form of Acceptance and Transfer for Offer Shares (“**FAT**”), as the case may be (collectively, the “**Acceptance Forms**” and each an “**Acceptance Form**”), are despatched to you by UOB, for and on behalf of the Offeror.

---

<sup>1</sup> In this Exit Offer Letter, unless otherwise stated, all references to the total number of issued Shares shall be to 600,000,000 Shares.

#### 1.4 Delisting Circular

A copy of the circular issued by the Company to the Shareholders in relation to the Delisting ("**Delisting Circular**") is despatched together with this Exit Offer Letter.

An electronic copy of the Delisting Circular is also available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).

#### 1.5 Terms and References

The expression "**acting in concert**" shall have the meaning ascribed to it in the Singapore Code on Take-overs and Mergers (the "**Code**"). The term "**depositor**" shall have the meaning ascribed to it in Section 130A of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**").

All references to a time of day or date in this Exit Offer Letter are references to Singapore time and date, unless otherwise stated. For the purposes of this Exit Offer Letter, the latest practicable date prior to the printing of this Exit Offer Letter is 8 July 2013 (the "**Latest Practicable Date**").

The term "**FY**" shall mean the financial year of the Offeror ended or ending (as the case may be) on 31 December of a particular year as stated.

#### 1.6 Caution

Please read this Exit Offer Letter and the Delisting Circular (including (a) the advice of Australia and New Zealand Banking Group Limited, Singapore Branch ("**IFA**"), the independent financial adviser to the Director who is considered to be independent for the purposes of making recommendations to the Shareholders ("**Independent Director**") on the Delisting and Exit Offer, and (b) the recommendations of the Independent Director on the Delisting and the Exit Offer) carefully in their entirety.

### 2. **THE EXIT OFFER**

UOB, for and on behalf of the Offeror, hereby offers to acquire all the Offer Shares, on the terms and subject to the conditions set out in this Exit Offer Letter (including the Acceptance Forms), and on the following basis:

#### 2.1 Consideration

**For each Offer Share: S\$2.55 in cash ("**Exit Offer Price**").**

The Exit Offer Price shall be applicable to any number of Offer Shares that are tendered in acceptance of the Exit Offer.

Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of Offer Shares. Each Shareholder who accepts the Exit Offer will receive S\$2,550 for every 1,000 Offer Shares tendered for acceptance under the Exit Offer.

The Offer Shares will be acquired fully paid and free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever ("**Encumbrances**"), and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive all dividends and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date). For the avoidance of doubt, such rights, benefits and entitlements attached to the Offer Shares to be acquired pursuant to the Exit Offer shall exclude the first and final dividend declared on 28 February 2013 for FY2012, which was paid on 10 May 2013 ("**FY2012 Dividend**").

Acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Shareholder that each Offer Share in respect of which the Exit Offer is accepted and sold by him as, or on behalf of, the beneficial owner(s) thereof, is fully paid and free from all Encumbrances, and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive all dividends and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date (other than, for the avoidance of doubt, the FY2012 Dividend)).

## 2.2 Conditions

The Delisting and the Exit Offer will be conditional on:

- (a) the resolution for the Delisting (the “**Delisting Resolution**”) being approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares) held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Directors and controlling Shareholders need not abstain from voting on the Delisting Resolution); and
- (b) the Delisting Resolution not being voted against by 10% or more of the total number of issued Shares (excluding treasury shares) held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM,

(collectively, the “**Approval of Delisting Resolution Condition**”).

The Exit Offer is **not** conditional on a minimum number of acceptances being received by the Offeror.

**Under Rule 1307 of the Listing Manual, all Shareholders (including the Offeror and parties acting in concert with the Offeror who hold Shares) are entitled to vote on the Delisting Resolution.**

The Offeror, which owns 489,440,652 Shares as at the Latest Practicable Date, representing approximately 81.57% of the total number of issued Shares, is entitled to and intends to vote all its Shares in favour of the Delisting Resolution at the EGM.

An application was made by the Company to the SGX-ST on 13 June 2013 to delist the Company from the Official List of the SGX-ST. The SGX-ST has in its letter dated 5 July 2013 advised that it has no objection to the Delisting, subject to the compliance of Rules 1307 and 1309 of the Listing Manual. However, this is not to be taken as an indication of the merits of the Delisting.

**Shareholders should note that if the Delisting Resolution is not passed at the EGM, the Approval of Delisting Resolution Condition will not be fulfilled and the Exit Offer will lapse and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.**

## 2.3 Duration

The Exit Offer is open for acceptance from the date of despatch of this Exit Offer Letter. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances are conditional and if the Delisting Resolution is not passed at the EGM, the Approval of Delisting Resolution Condition will not be fulfilled and the Exit Offer will lapse and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.

If the Delisting Resolution is passed by the Shareholders at the EGM, the Exit Offer will continue to be open for acceptance by the Shareholders for at least 14 days after the date of the announcement of the satisfaction of the Approval of Delisting Resolution Condition. Accordingly, the Exit Offer will close at **5:30 p.m. on 13 August 2013** or such later date(s) as may be announced from time to time by or on behalf of the Offeror (“**Closing Date**”).

2.4 Procedures for Acceptance and Further Details of the Exit Offer

**Appendix I** of this Exit Offer Letter sets out the procedures for the acceptance of the Exit Offer and additional information on the settlement of the consideration for the Exit Offer.

**3. INFORMATION ON THE OFFEROR**

- 3.1 The Offeror was incorporated in Singapore on 12 December 1963 and is listed on the Mainboard of the SGX-ST. The Offeror and its subsidiaries (the “**UOL Group**”) is one of Singapore’s established property companies. The UOL Group’s diversified portfolio comprises investment and development properties, hotels and serviced suites.
- 3.2 As at the Latest Practicable Date, the Offeror has an issued share capital of S\$1,049,533,815 divided into 770,506,154 ordinary shares, and a market capitalisation of approximately S\$5.09 billion.
- 3.3 As at the Latest Practicable Date, the Offeror owns 489,440,652 Shares, representing approximately 81.57% of the total number of issued Shares.
- 3.4 As at the Latest Practicable Date, the board of directors of the Offeror is comprised of:
- (a) Dr. Wee Cho Yaw (Chairman; non-executive and non-independent director);
  - (b) Mr. Gwee Lian Kheng (Group Chief Executive; executive and non-independent director);
  - (c) Mr. Low Weng Keong (non-executive and independent director);
  - (d) Mr. Wee Ee-chao (non-executive and non-independent director);
  - (e) Mr. Wee Ee Lim (non-executive and non-independent director);
  - (f) Mr. Wee Sin Tho (non-executive and independent director);
  - (g) Dr. Pongsak Hoontrakul (non-executive and independent director); and
  - (h) Mr. Tan Tiong Cheng (non-executive and independent director).

**Appendix II** of this Exit Offer Letter sets out certain additional information on the Offeror.

**4. INFORMATION ON THE COMPANY**

4.1 The Company

The Company was incorporated in Singapore on 17 June 1968 and is listed on the Mainboard of the SGX-ST. The principal activities of the Company are those of a hotelier, property owner and the holding of investments. As at the Latest Practicable Date, the Directors comprise the following:

- (a) Dr. Wee Cho Yaw (Chairman; non-executive and non-independent director);
- (b) Mr. Gwee Lian Kheng (Group Chief Executive; executive and non-independent director);
- (c) Mr. Low Weng Keong (non-executive and independent director);
- (d) Mr. Wee Ee-chao (non-executive and non-independent director);
- (e) Mr. Wee Ee Lim (non-executive and non-independent director);
- (f) Ms. Wee Wei Ling (executive and non-independent director);

- (g) Mr. James Koh Cher Siang (non-executive and independent director); and
- (h) Mr. Amedeo Patrick Imbardelli (President and Chief Executive Officer; executive and non-independent director).

#### 4.2 Shares

As at the Latest Practicable Date, the total number of issued Shares in the capital of the Company is 600,000,000 Shares.

#### 4.3 Registered Office

The registered office of the Company is at 101 Thomson Road, #33-00 United Square, Singapore 307591.

### 5. **RATIONALE FOR THE DELISTING**

#### 5.1 Opportunity to Realise Investments with an Upfront Premium

The Exit Offer Price represents a premium of approximately 8.97% over the last transacted price per Share of S\$2.34 as at 9 May 2013, being the last full day of trading in the Shares on the SGX-ST immediately prior to the Joint Announcement Date (the “**Last Trading Day**”), and a premium of approximately 8.19%, 6.12%, 8.14% and 17.89% over the volume weighted average price (“**VWAP**”) per Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods, respectively, up to and including the Last Trading Day.

Through the Delisting Proposal, the accepting Shareholders will have an opportunity to realise their investments in the Company for a cash consideration at a premium over the market prices of the Shares up to and including the Last Trading Day, an option which may not otherwise be readily available due to the low trading liquidity of the Shares, without incurring brokerage and other trading costs.

#### 5.2 Low Trading Liquidity and Low Free Float

The trading liquidity of the Shares on the SGX-ST in the past year has been generally thin. The average daily trading volume of the Shares for the 12-month, six (6)-month, three (3)-month and one (1)-month periods up to and including the Last Trading Day are approximately as follows:

<b>Period prior to the Last Trading Day</b>	<b>Average Daily Trading Volume<sup>(1)(2)</sup> ('000)</b>
Last 12 months	30
Last six (6) months	25
Last three (3) months	24
Last one (1) month	7

**Notes:**

- (1) Source: Bloomberg L.P.
- (2) The average daily trading volume is computed based on the total trading volume of the Shares on the SGX-ST, divided by the total number of days on which the SGX-ST is open for trading during the relevant periods.

In addition, as at the Latest Practicable Date, the Offeror owns 489,440,652 Shares representing approximately 81.57% of the total number of issued Shares, and UOB owns 47,913,000 Shares representing approximately 7.99% of the total number of issued Shares. This implies a free float of no greater than 10.44% of the total number of issued Shares.

The Exit Offer will provide an exit option for those Shareholders who wish to realise their entire investment in the Shares but find it difficult to do so as a result of the low trading liquidity of the Shares and low free float of the Shares.

### 5.3 Compliance Costs of Maintaining Listing

In maintaining the Company's listing status, the Company incurs additional compliance and associated costs. The Company will be able to, as a non-listed entity, dispense with costs associated with complying with the SGX-ST listing requirements and other regulatory requirements as well as human resources that have to be committed for such compliance and channel its resources to its business operations.

### 5.4 No Need for Access to Capital Markets

A primary reason for companies to maintain a listing on the SGX-ST is to access the Singapore capital markets for funding. It is noted that the Company has not carried out any fund-raising exercise on the SGX-ST in the last 20 years, save for a non-underwritten rights issue in 2007. The Company is unlikely to require access to the Singapore capital markets to finance its operations in the foreseeable future. Accordingly, it is not necessary for the Company to maintain its listing status.

### 5.5 Offeror's Intention

Following the privatisation of the Company, the Offeror will have greater management flexibility to review the operations, management and financial position of the Company and its subsidiaries (the "**Group**"), and to evaluate various options or opportunities which may present themselves which it regards to be in the interests of the Offeror and/or the Company. Save for the foregoing, the Offeror has no current intention of (a) making material changes to the Company's existing business, (b) re-deploying the Company's fixed assets, or (c) discontinuing the employment of the employees of the Group, other than in the ordinary course of business following the privatisation of the Company.

## 6. **COMPULSORY ACQUISITION**

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

The Offeror intends to make the Company its wholly-owned subsidiary. **Accordingly, when entitled, the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act.**

In addition, Shareholders who have not accepted the Exit Offer will have the right under and subject to Section 215(3) of the Companies Act to require the Offeror to acquire their Shares in the event that the Offeror or its nominees acquire, pursuant to the Exit Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations and/or their respective nominees, comprise 90% or more of the total number of issued Shares (excluding treasury shares).

**Shareholders who have not accepted the Exit Offer and who wish to exercise their rights under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.**

**Shareholders should read carefully Section 4 of the Letter to Shareholders entitled "Implications of Compulsory Acquisition and Delisting for Shareholders" set out in the Delisting Circular.**



## 7. BENCHMARKING THE EXIT OFFER

### 7.1 Market Price Comparisons

The Exit Offer Price represents the following premium over the historical transacted prices of the Shares on the SGX-ST:

	Description	Share Price (S\$) <sup>(1)</sup>	Premium over Share Price <sup>(2)</sup> (%)
(a)	Last transacted price per Share on 8 July 2013 (being the Latest Practicable Date)	2.530	0.79
(b)	Last transacted price per Share on 9 May 2013 (being the Last Trading Day)	2.340	8.97
(c)	VWAP for the one (1)-month period prior to and including the Last Trading Day	2.357	8.19
(d)	VWAP for the three (3)-month period prior to and including the Last Trading Day	2.403	6.12
(e)	VWAP for the six (6)-month period prior to and including the Last Trading Day	2.358	8.14
(f)	VWAP for the 12-month period prior to and including the Last Trading Day	2.163	17.89

**Notes:**

(1) Source: Bloomberg L.P..

(2) Computed based on the share prices which were rounded to the nearest three (3) decimal places.

### 7.2 Closing Prices of the Shares

The closing price of the Shares on the SGX-ST, as reported by Bloomberg L.P., on (a) the Latest Practicable Date was S\$2.53, and on (b) 9 May 2013, being the Last Trading Day, was S\$2.34. The highest, lowest, and last closing prices and trading volume of the Shares on the SGX-ST on a monthly basis from November 2012 to April 2013 (being the six (6) calendar months preceding the Joint Announcement Date), as reported by Bloomberg L.P., are set out below:

	Highest closing price of the month (S\$)	Lowest closing price of the month (S\$)	Last closing price of the month (S\$)	Volume of the Shares traded (‘000)
November 2012	2.25	2.21	2.24	318
December 2012	2.34	2.21	2.34	359
January 2013	2.37	2.31	2.36	959
February 2013	2.54	2.35	2.49	894
March 2013	2.48	2.32	2.37	437
April 2013	2.42	2.30	2.32	195

### 7.3 Highest and Lowest Closing Prices of the Shares

As reported by Bloomberg L.P., during the period commencing six (6) months preceding the Joint Announcement Date and ending on the Latest Practicable Date (both dates inclusive):

- (a) the highest closing price of the Shares on the SGX-ST was S\$2.54, which was transacted on 27 February 2013, 20 May 2013 and 21 May 2013; and
- (b) the lowest closing price of the Shares on the SGX-ST was S\$2.21, which was transacted on 3 December 2012, 4 December 2012 and 11 December 2012.



## 8. REGULATORY APPROVALS

An application was made by the Offeror to the Securities Industry Council ("**SIC**") to seek clarification regarding the extent to which the provisions of the Code applied to the Exit Offer. The SIC ruled, *inter alia*, that:

- (a) the Exit Offer is exempted from compliance with the following provisions of the Code:
  - (i) Rule 20.1 on keeping the Exit Offer open for 14 days after it is revised;
  - (ii) Rule 22 on the offer timetable;
  - (iii) Rule 28 on acceptances; and
  - (iv) Rule 29 on the right of acceptors to withdraw their acceptances;
- (b) subject to the following conditions:
  - (i) disclosure in the Delisting Circular of:
    - (A) the consolidated net tangible assets value ("**NTA**") per Share of the group comprising the Company, its subsidiaries and associated companies based on the latest published accounts prior to the date of the Delisting Circular; and
    - (B) particulars of all known material changes as at the latest practicable date set out in the Delisting Circular which may affect the NTA per Share referred to in paragraph 8(b)(i)(A) above or a statement that there are no such known material changes; and
  - (ii) the Exit Offer remaining open for at least:
    - (A) 21 days after the date of the despatch of this Exit Offer Letter if this Exit Offer Letter is despatched after Shareholders' approval for the Delisting has been obtained; or
    - (B) 14 days after the date of the announcement of Shareholders' approval of the Delisting Proposal if this Exit Offer Letter is despatched on the same date as the Delisting Circular.

## 9. CONFIRMATION OF FINANCIAL RESOURCES

UOB, being the financial adviser of the Offeror in connection with the Exit Offer, has confirmed that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Exit Offer by the holders of the Offer Shares on the basis of the Exit Offer Price.

## 10. DISCLOSURES

### 10.1 Interests in Shares

For the purposes of this Exit Offer Letter:

**"Convertible Securities"** means securities convertible or exchangeable into new shares or existing shares;

**"Derivatives"** includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities;

**"Options"** means options to subscribe for or purchase new shares or existing shares; and

**"Warrants"** means rights to subscribe for or purchase new shares or existing shares.

Please refer to **Appendix II** to this Exit Offer Letter which sets out the interests of the Offeror, its directors and parties acting or deemed to be acting in concert with the Offeror in any (a) securities which are being offered for (i.e. the Shares) which carry voting rights in the Company, or (b) Convertible Securities, Warrants, Options and Derivatives in respect of (a) (collectively, the “**PPHG Securities**”) as at the Latest Practicable Date.

Save as disclosed in this Exit Offer Letter, as at the Latest Practicable Date, none of the Offeror, its directors or any of the parties acting or deemed to be acting in concert with the Offeror owns, controls or has agreed to acquire any PPHG Securities.

#### 10.2 Dealings in PPHG Securities

None of the Offeror, its directors or any of the parties acting or deemed to be acting in concert with the Offeror has dealt for value in any PPHG Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

#### 10.3 Further Disclosures

Save as disclosed in this Exit Offer Letter and in the information on the Company that is publicly available (including without limitation, the annual report of the Company for the financial year ended 31 December 2012, the unaudited consolidated financial statements of the Group for the first quarter ended 31 March 2013, and the announcements released by the Company on the SGX-ST), there has not been, within the knowledge of the Offeror, any material change in the financial position or prospects of the Company since 31 December 2012, being the date of the last balance sheet laid before the Shareholders in a general meeting.

Further disclosures by the Offeror are found in **Appendix II** to this Exit Offer Letter.

### 11. **ACTIONS TO BE TAKEN BY SHAREHOLDERS**

If you hold Offer Shares that are deposited with The Central Depository (Pte) Limited (“**CDP**”), you should receive a FAA together with this Exit Offer Letter. If you have not received the FAA, you may obtain a copy of the FAA from CDP, 4 Shenton Way, #02-01, SGX Centre 2, Singapore 068807, upon production of satisfactory evidence that you are a Shareholder.

If you hold Offer Shares that are represented by share certificate(s) and are not deposited with CDP, you may request and obtain a copy of the FAT from the office of the Offeror’s receiving agent, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, upon production of satisfactory evidence that you are a Shareholder.

The Exit Offer may only be accepted by the relevant Shareholder to whom this Exit Offer Letter is addressed.

**Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptance is conditional upon the Approval of Delisting Resolution Condition being fulfilled.**

If you wish to accept the Exit Offer, you should complete, sign and return the relevant Acceptance Form in accordance with the provisions and instructions in this Exit Offer Letter and that Acceptance Form.

**Shareholders should note that if the Delisting Resolution is not passed at the EGM, the Approval of Delisting Resolution Condition will not be fulfilled and the Exit Offer will lapse and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.**

If you hold the share certificate(s) of the Offer Shares beneficially owned by you and wish to accept the Exit Offer in respect of such Offer Shares, you **SHOULD NOT** deposit the share certificate(s) with CDP during the period commencing on the date of this Exit Offer Letter and ending on the Closing Date (both dates inclusive) as the “Free Balance” of your securities account (not including a securities sub-account) maintained by a depositor with CDP (“**Securities Account**”), may not be credited with the relevant number of Offer Shares in time for you to accept the relevant Exit Offer.

The detailed procedures for acceptance of the Exit Offer are set out in **Appendix I** to this Exit Offer Letter for your information.

If you decide not to accept the Exit Offer, you do not have to take any action. In the event that the Approval of Delisting Resolution Condition is fulfilled and the Company is delisted, you will continue to hold unquoted Shares in the Company as an unlisted company. If you hold Shares that are deposited with CDP, a share certificate in respect of your Shares that are deposited with CDP will be sent, by ordinary post and at your own risk, to your address as it appears in the records of CDP, after the Company has been delisted from the Official List of the SGX-ST.

## **12. OVERSEAS SHAREHOLDERS**

The availability of the Exit Offer to the Shareholders whose addresses are outside Singapore, as shown on the Register of Members of the Company or, as the case may be, in the records of CDP (each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, any Overseas Shareholder should inform himself about and observe any applicable legal requirements, and exercise caution in relation to the Exit Offer, as this Exit Offer Letter and the Acceptance Forms have not been reviewed by any regulatory authority in any overseas jurisdiction. **Where there are potential restrictions on sending this Exit Offer Letter and the relevant Acceptance Forms to any overseas jurisdiction, the Offeror, UOB and CDP each reserves the right not to send these documents to such overseas jurisdictions.**

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

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

Overseas Shareholders may, nonetheless, obtain copies of this Exit Offer Letter, the relevant Acceptance Forms and any related documents, during normal business hours, from the date of this Exit Offer Letter and up to the Closing Date, from the Offeror through its receiving agent, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Shareholder may write in to the Offeror through Boardroom Corporate & Advisory Services Pte. Ltd. at the address listed above to request for this Exit Offer Letter, the relevant Acceptance Forms and any related documents to be sent to an address in Singapore by ordinary post at the Overseas Shareholder's own risk (the last day for despatch in respect of such request shall be a date falling three (3) market days prior to the Closing Date).

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

**ANY OVERSEAS SHAREHOLDER WHO IS IN ANY DOUBT ABOUT HIS POSITION SHOULD CONSULT HIS PROFESSIONAL ADVISER IN THE RELEVANT JURISDICTION.**

The Offeror and UOB each reserves the right to (a) reject any acceptance of the Exit Offer where it believes, or has reason to believe, that such acceptance may violate the applicable laws of any jurisdiction; and (b) notify any matter, including the despatch of this Exit Offer Letter, any formal documentation relating to the Exit Offer, and the fact that the Exit Offer has been made, to any or all Shareholders (including the Overseas Shareholders) by announcement to the SGX-ST and if necessary, paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

**13. INFORMATION RELATING TO CPFIS INVESTORS**

Investors who have purchased Shares using their Central Provident Fund ("**CPF**") savings (the "**CPFIS Investors**") under the Central Provident Fund Investment Scheme ("**CPFIS**") should receive further information on how to accept the Exit Offer from their respective banks approved by CPF to be its agent banks, being DBS Bank Ltd, Oversea-Chinese Banking Corporation Limited and UOB (collectively, the "**CPF Agent Banks**") shortly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice.

CPFIS Investors who wish to accept the Exit Offer are to reply to their respective CPF Agent Banks accordingly by the deadline stated in the letter from their respective CPF Agent Banks. CPFIS Investors who accept the Exit Offer will receive payment of the Exit Offer Price for their Shares in their CPFIS accounts.

**14. GENERAL**

**14.1 Valid Acceptances**

The Offeror and UOB each reserves the right to treat acceptances of the Exit Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated herein or in the relevant Acceptance Forms, or if made otherwise than in accordance with the provisions herein and in the instructions printed on the relevant Acceptance Forms.

**14.2 Announcements / Notices**

In this Exit Offer Letter, references to the making of any announcement or the giving of notice by the Offeror include the release of an announcement by UOB or advertising agents for and on behalf of the Offeror to the press or the delivery of or transmission by telephone or facsimile or through SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

#### 14.3 Governing Law and Jurisdiction

The Exit Offer, this Exit Offer Letter, the Acceptance Forms, and all acceptances of the Exit Offer and all contracts made pursuant thereto and actions taken or made or deemed to be taken or made thereunder shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Offeror and each accepting Shareholder agree to submit to the non-exclusive jurisdiction of the Singapore courts.

#### 14.4 No Third Party Rights

Unless expressly provided otherwise in this Exit Offer Letter and the relevant Acceptance Forms, a person who is not a party to any contracts made pursuant to the Exit Offer, this Exit Offer Letter and the relevant Acceptance Forms has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

#### 14.5 Accidental Omission

Accidental omission to despatch this Exit Offer Letter, the Delisting Circular, and the relevant Acceptance Forms or any notice or announcement required to be given under the terms of the Exit Offer or any failure to receive the same by any person to whom the Exit Offer is made or should be made, shall not invalidate the Exit Offer in any way.

#### 14.6 Independent Advice

The advice of the IFA to the Independent Director, and the recommendation of the Independent Director, on the Delisting Proposal and the Exit Offer are available in the Delisting Circular. Shareholders may wish to consider their views before taking any action in relation to the Exit Offer.

#### 14.7 Costs and Expenses

All stamp duty and transfer fees resulting from acceptances of the Exit Offer will be paid by the Offeror.

#### 14.8 Consent by UOB

UOB, being the financial adviser of the Offeror in connection with the Exit Offer, has given and has not withdrawn its written consent to the issue of this Exit Offer Letter with the inclusion of its name in this Exit Offer Letter, and all references hereto in the form and context in which they appear in this Exit Offer Letter.

### 15. **DOCUMENTS FOR INSPECTION**

Copies of the following documents may be inspected at the office of Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, during normal business hours for the period for which the Exit Offer remains open for acceptance:

- (a) the Memorandum and Articles of Association of the Offeror;
- (b) the Joint Announcement;
- (c) the annual reports of the Offeror for FY2010, FY2011 and FY2012;
- (d) the unaudited consolidated financial statements of the UOL Group for the three (3) months ended 31 March 2013; and
- (e) the letter of consent of UOB referred to in paragraph 14.8 of this Exit Offer Letter.

## 16. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any director who may have delegated detailed supervision of this Exit Offer Letter) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Exit Offer Letter (other than those relating to the Company) are fair and accurate and that no material facts have been omitted from this Exit Offer Letter, the omission of which would make any statement in this Exit Offer Letter (other than those relating to the Company) misleading. Where any information in this Exit Offer Letter has been extracted or reproduced from published or publicly available sources or obtained from the Company, the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Exit Offer Letter. The directors of the Offeror jointly and severally accept responsibility accordingly.

Yours faithfully,  
**United Overseas Bank Limited**

For and on behalf of  
**UOL Group Limited**

## PROCEDURES FOR ACCEPTANCE AND OTHER DETAILS OF THE EXIT OFFER

PLEASE TAKE NOTE THAT APPROVING THE DELISTING RESOLUTION AT THE EGM DOES NOT AUTOMATICALLY MEAN THAT YOU HAVE ACCEPTED THE EXIT OFFER.

### 1. PROCEDURES FOR ACCEPTANCE OF THE EXIT OFFER BY DEPOSITORS WHOSE SECURITIES ACCOUNTS ARE AND/OR WILL BE CREDITED WITH OFFER SHARES

#### (a) Depositors whose Securities Accounts are credited with Offer Shares

If you have Offer Shares standing to the credit of your Securities Account, you are entitled to receive this Exit Offer Letter together with the FAA. If you wish to accept the Exit Offer, you should complete and sign the accompanying FAA in accordance with the provisions and instructions in this Exit Offer Letter (including this **Appendix I**), and the provisions and instructions printed on the FAA (which provisions and instructions shall be deemed to form part of the terms of the Exit Offer) and submit the duly completed and signed FAA, **either by hand** to:

**UOL GROUP LIMITED**

c/o The Central Depository (Pte) Limited  
4 Shenton Way  
#02-01  
SGX Centre 2  
Singapore 068807

**or by post** (in the enclosed pre-addressed envelope) at your own risk, to:

**UOL GROUP LIMITED**

c/o The Central Depository (Pte) Limited  
Robinson Road Post Office  
P.O. Box 1984  
Singapore 903934

**so as in either case to arrive not later than 5:30 p.m. on the Closing Date, being 13 August 2013 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.**

If you have sold or transferred all your Offer Shares, you need not forward this Exit Offer Letter and/or the FAA to the purchaser or the transferee (the “**Purchaser**”) as arrangements will be made by CDP for a separate Exit Offer Letter and FAA to be sent to the Purchaser. Purchasers should note that CDP will, for and on behalf of the Offeror, send a copy of this Exit Offer Letter and the FAA by ordinary post at the Purchasers’ own risk to their respective addresses as maintained in the records of CDP.

If you wish to accept the Exit Offer, you must insert in Part A of the FAA the number of Offer Shares in respect of which the Exit Offer is accepted, which should not exceed the number of Offer Shares standing to the credit of the “Free Balance” of your Securities Account as at 5:00 p.m. on the date of receipt by CDP (the “**Date of Receipt**”), or in the case where the Date of Receipt is on the Closing Date, 5:30 p.m. on the Closing Date, provided always that such Date of Receipt must fall on or before the Closing Date.

If the number of Offer Shares in respect of which the Exit Offer is accepted, as inserted by you in Part A of the FAA, exceeds the number of Offer Shares standing to the credit of the “Free Balance” of your Securities Account as at 5:00 p.m. on the Date of Receipt (or, in the case where the Date of Receipt is on the Closing Date, 5:30 p.m. on the Closing Date), or if



no such number of Offer Shares is inserted in Part A of the FAA by you, then **YOU SHALL BE DEEMED TO HAVE ACCEPTED THE EXIT OFFER IN RESPECT OF ALL THE OFFER SHARES STANDING TO THE CREDIT OF THE "FREE BALANCE" OF YOUR SECURITIES ACCOUNT AS AT 5:00 P.M. ON THE DATE OF RECEIPT (OR IN THE CASE WHERE THE DATE OF RECEIPT IS ON THE CLOSING DATE, 5:30 P.M. ON THE CLOSING DATE), PROVIDED ALWAYS THAT THE DATE OF RECEIPT IS ON OR BEFORE THE CLOSING DATE.**

**(b) Depositors whose Securities Accounts will be credited with Offer Shares**

If you have purchased Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the "Free Balance" of your Securities Account, you should also receive this Exit Offer Letter together with a FAA. You may accept the Exit Offer in respect of such Offer Shares only **AFTER** the "Free Balance" of your Securities Account has been credited with such number of Offer Shares. The provisions and instructions set out in paragraph 1(a) above in this **Appendix I** shall apply in the same way to your acceptance(s) in respect of such Offer Shares. If you do not receive that FAA, you may obtain such a FAA upon production of satisfactory evidence that you have purchased the Offer Shares on the SGX-ST, from The Central Depository (Pte) Limited, 4 Shenton Way, #02-01, SGX Centre 2, Singapore 068807.

If upon receipt by CDP, for and on behalf of the Offeror, of the FAA, it is established that the Offer Shares have not been, or will not be, credited to the "Free Balance" of your Securities Account (as, for example, where you sell or have sold such Offer Shares), your acceptance is liable to be rejected and none of the Offeror, UOB or CDP accepts any responsibility or liability for the consequences of such a rejection.

**IF YOU PURCHASE OFFER SHARES ON THE SGX-ST ON A DATE NEAR TO THE CLOSING DATE, YOUR ACCEPTANCE IN RESPECT OF SUCH OFFER SHARES WILL BE REJECTED IF THE "FREE BALANCE" OF YOUR SECURITIES ACCOUNT IS NOT CREDITED WITH SUCH OFFER SHARES BY 5:00 P.M. ON THE DATE OF RECEIPT OR 5:30 P.M. ON THE CLOSING DATE (IF THE FAA IS RECEIVED BY CDP ON THE CLOSING DATE). NONE OF THE OFFEROR, UOB OR CDP ACCEPTS ANY RESPONSIBILITY OR LIABILITY FOR THE CONSEQUENCES OF SUCH A REJECTION.**

**(c) Depositors whose Securities Accounts are and will be credited with Offer Shares**

If you have Offer Shares credited to the "Free Balance" of your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to the "Free Balance" of your Securities Account, you may accept the Exit Offer in respect of the Offer Shares already standing to the credit of the "Free Balance" of your Securities Account and may accept the Exit Offer in respect of the additional Offer Shares purchased which are in the process of being credited to your Securities Account only **AFTER** the "Free Balance" of your Securities Account has been credited with such number of Offer Shares. The provisions and instructions set out in paragraphs 1(a) and (b) above in this **Appendix I** shall apply in the same way to your acceptance(s) in respect of such Offer Shares which are credited and such additional Offer Shares which will be credited to the "Free Balance" of your Securities Account (respectively).

**(d) General**

Depository agents (as defined under Section 130A of the Companies Act) may also accept the Exit Offer via the SGX-SSH service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents (the "**Electronic Acceptance**"). Such Electronic Acceptances must be submitted **NOT LATER THAN 5.30 P.M. ON THE CLOSING DATE**. CDP has been authorised by the Offeror to receive Electronic Acceptances on its behalf. Such Electronic Acceptances will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Exit Offer Letter as if the FAA had been duly completed and submitted to CDP.

No acknowledgement will be given for any submission of a FAA made by hand or by post to CDP or deposited into drop-boxes located at CDP's premises.

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You can verify such number through (i) CDP Online if you have registered for CDP Internet Access Service or (ii) CDP Phone Service if you have a T Pin. Alternatively, you may proceed to CDP in person with your identity card or passport to verify the number of Offer Shares credited to your Securities Account.

CDP will, upon receipt for and on behalf of the Offeror of the duly completed and signed FAA and all other relevant documents (if any), transfer the Offer Shares in respect of which you have accepted the Exit Offer from the "Free Balance" of your Securities Account to a "Suspense Account" pending the Exit Offer becoming or being declared to be unconditional in all respects in accordance with its terms and until the consideration for the Offer Shares has been despatched to you. In the event that the Exit Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, the relevant number of Offer Shares in respect of which you have accepted the Exit Offer will be transferred to the "Free Balance" of your Securities Account as soon as possible but, in any event, not later than 14 days from the lapse of the Exit Offer.

In the event that the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, CDP will send you a notification letter stating the number of Offer Shares debited from your Securities Account together with payment of the Exit Offer Price by way of a cheque in Singapore currency drawn on a bank operating in Singapore for the appropriate amount, or in such other manner as you may have agreed with CDP for the payment of any cash distributions.

All communications, certificates, notices, documents and remittances to be delivered or sent to you will be sent to you by ordinary post to your address as maintained in the records of CDP and at your own risk. The Offeror, UOB or CDP shall not be liable for any loss in transmission of the FAA.

If you do not have any existing Securities Account in your name as at the time and date of acceptance of the Exit Offer, your acceptance as contained in the FAA will be rejected.

## **2. PROCEDURES FOR ACCEPTANCE OF THE EXIT OFFER BY SHAREHOLDERS WHO HOLD OFFER SHARES WHICH ARE NOT DEPOSITED WITH CDP**

If you hold Offer Shares which are not deposited with CDP, you are entitled to receive this Exit Offer Letter together with the FAT. If you wish to accept the Exit Offer, you should complete and sign the FAT (which is available upon request from UOL Group Limited c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623) in accordance with the provisions and instructions in this Exit Offer Letter (including this **Appendix I**), and the provisions and instructions printed on the FAT (which provisions and instructions shall be deemed to form part of the terms of the Exit Offer) and submit, at your own risk, the duly completed and signed FAT, together with the relevant share certificate(s), other document(s) of title and/or any other relevant document(s) required by the Offeror, by hand or by post to:

### **UOL GROUP LIMITED**

c/o Boardroom Corporate & Advisory Services Pte. Ltd.  
50 Raffles Place  
#32-01  
Singapore Land Tower  
Singapore 048623

**so as to arrive not later than 5:30 p.m. on the Closing Date, being 13 August 2013 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.**

If your Offer Shares are represented by share certificate(s) which are not registered in your own name, you must send in, at your own risk, the relevant share certificate(s), other document(s) of title and/or any other relevant document(s) required by the Offeror together with a duly completed and signed FAT accompanied by transfer form(s), duly completed and executed by the person registered with the Company as the holder of the Offer Shares and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it).

If you wish to accept the Exit Offer, you must insert in the FAT the number of Offer Shares in respect of which the Exit Offer is accepted, which should not exceed the number of Offer Shares represented by the share certificate(s) and/or other document(s) of title accompanying the FAT.

If the number of Offer Shares in respect of which the Exit Offer is accepted, as inserted by you in the FAT, exceeds the number of Offer Shares represented by the share certificate(s) and/or other document(s) of title accompanying the FAT, or if no such number of Offer Shares is inserted in the FAT by you, then **YOU SHALL BE DEEMED TO HAVE ACCEPTED THE EXIT OFFER IN RESPECT OF ALL THE OFFER SHARES REPRESENTED BY THE SHARE CERTIFICATE(S) AND/OR OTHER DOCUMENT(S) OF TITLE ACCOMPANYING THE FAT.**

No acknowledgement of receipt of any FAT, share certificate(s), other document(s) of title, transfer form(s) and/or any other relevant document(s) required by the Offeror will be given.

The election made or deemed to be made by you in the FAT shall be deemed to be irrevocable and any instructions or FAT received by the Offeror or Boardroom Corporate & Advisory Services Pte. Ltd. after the FAT has been received shall be disregarded.

All communications, certificates, notices, documents and remittances to be delivered or sent to you will be sent to you (or your designated agent or, in the case of joint accepting Shareholders who have not designated any agent, to the one first named in the Register of Members of the Company) by ordinary post to your address as it appears in the Register of Members of the Company at your own risk (or, for the purpose of remittances only, to such different name and address as may appear in the FAT and at your own risk).

In the event that the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, payment will be sent to you (or your designated agent or, in the case of joint accepting Shareholders who have not designated any agent, to the one first named in the Register of Members of the Company) by ordinary post to your address as it appears in the Register of Members of the Company at your own risk (or to such different name and address as may be specified by you in the FAT and at your own risk), by way of a cheque drawn on a bank in Singapore for the appropriate amount.

In the event that the Exit Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, the FAT and other documents (including share certificate(s)) will be returned at your own risk by ordinary post within 14 days of the lapse of the Exit Offer.

### **3. OTHER RELEVANT INFORMATION IN RESPECT OF THE PROCEDURES FOR ACCEPTANCE**

If you hold the share certificate(s) of some of the Offer Shares beneficially owned by you and if you have deposited the rest of the Offer Shares beneficially owned by you with CDP, you are required to complete the FAT in respect of the Offer Shares represented by share certificate(s) and the FAA in respect of the Offer Shares which are deposited with CDP, if you wish to accept the Exit Offer in respect of all such Offer Shares. Both the FAT and the FAA must be completed, signed and accompanied by the relevant documents and sent to the Offeror in accordance with the respective procedures for acceptance set out above in paragraphs 1 and 2 of this **Appendix I**.

If you hold the share certificate(s) of the Offer Shares beneficially owned by you and you wish to accept the Exit Offer in respect of such Offer Shares, you **SHOULD NOT** deposit the share certificate(s) with CDP during the period commencing on the date of this Exit Offer Letter and ending on the Closing Date (both dates inclusive) as the "Free Balance" of your Securities Account may not be credited with the relevant number of Offer Shares in time for you to accept the Exit Offer.

Delivery of the duly completed and signed FAA and/or FAT to the Offeror, UOB, CDP and/or Boardroom Corporate & Advisory Services Pte. Ltd., as the case may be, shall be conclusive evidence in favour of the Offeror, UOB, CDP and/or Boardroom Corporate & Advisory Services Pte. Ltd. of the right and title of the person(s) signing it to deal with the same and with the Offer Shares to which it relates.

Acceptances in the form of FAA and/or FAT received by the Offeror, UOB, CDP and/or Boardroom Corporate & Advisory Services Pte. Ltd., on a Saturday, Sunday or public holiday will only be processed and validated on the next business day.

If you wish to accept the Exit Offer, it is your responsibility to ensure that the FAA and/or the FAT is/are accurately completed in all respects, signed and all required documents are provided. The Offeror, UOB, CDP and Boardroom Corporate & Advisory Services Pte. Ltd. will be authorised and entitled, at their sole and absolute discretion, to reject any acceptance that does not comply with the provisions and instructions contained in this Exit Offer Letter and in the FAA or the FAT (as the case may be), or which is otherwise incomplete, incorrect, unsigned, illegible or invalid in any respect. Any decision to reject the FAA or the FAT on the grounds that it has been invalidly, incorrectly or incompletely signed, completed or submitted will be final and binding, and none of the Offeror, UOB, CDP and/or Boardroom Corporate & Advisory Services Pte. Ltd. accepts any responsibility or liability for the consequences of such a decision.

#### **4. SETTLEMENT**

Subject to the Exit Offer becoming or being declared to be unconditional in all respects and to the receipt by the Offeror of valid acceptances, complete in all respects, signed and in accordance with the instructions in this Exit Offer Letter (including this **Appendix I**) and the relevant FAA and/or FAT (as the case may be) and in the case of a depositor, the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares are standing to the credit of the "Free Balance" of the depositor's Securities Account at the relevant time(s), remittances in the form of cheques in Singapore currency drawn on a bank operating in Singapore for the appropriate amounts will be despatched to the accepting Shareholder (or, in the case of a Shareholder holding share certificate(s) which is not deposited with CDP, his designated agent, if any) at his address as maintained in the records of CDP or the Register of Members of the Company by ordinary post and at the risk of the accepting Shareholder, or in such other manner as he may have agreed with CDP for the payment of any cash distributions, as soon as practicable but in any event:

- (a) in respect of acceptances of the Exit Offer which are valid and complete in all respects and are received on or before the date on which the Exit Offer becomes or is declared to be unconditional in all respects, within 10 days of that date; or
- (b) in respect of acceptances which are valid and complete in all respects and are received after the Exit Offer becomes or is declared to be unconditional in all respects, but before the Exit Offer closes, within 10 days of the date of such receipt.

In the case of a depositor, CDP will also send a notification letter by ordinary post to you, at your address as maintained in the records of CDP, at your own risk, stating the number of Offer Shares debited from your Securities Account.

#### **5. NO RIGHT OF WITHDRAWAL**

**ALL ACCEPTANCES OF THE EXIT OFFER SHALL BE IRREVOCABLE.**

## ADDITIONAL INFORMATION ON THE OFFEROR

### 1. DIRECTORS OF THE OFFEROR

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

<b><u>Name</u></b>	<b><u>Address</u></b>	<b><u>Designation</u></b>
Dr. Wee Cho Yaw	2 Jalan Asuhan, Singapore 299323	Chairman; non-executive and non-independent director
Mr. Gwee Lian Kheng	245 Orchard Boulevard, #17-03, Orchard Bel Air, Singapore 248648	Group Chief Executive; executive and non-independent director
Mr. Low Weng Keong	59 Sommerville Estate Road, Sommerville Park, Singapore 258044	Non-executive and independent director
Mr. Wee Ee-chao	2 Jalan Asuhan, Singapore 299323	Non-executive and non-independent director
Mr. Wee Ee Lim	6 Camden Park, Singapore 299796	Non-executive and non-independent director
Mr. Wee Sin Tho	3 Holland Green, Singapore 276126	Non-executive and independent director
Dr. Pongsak Hoontrakul	138 Jarunsanitwong 52 Bangplad, Bangkok 10700, Thailand	Non-executive and independent director
Mr. Tan Tiong Cheng	47 Watten Rise, Singapore 287368	Non-executive and independent director

### 2. REGISTERED OFFICE OF THE OFFEROR

The registered office of the Offeror is at 101 Thomson Road, #33-00 United Square, Singapore 307591.

### 3. SHARE CAPITAL OF THE OFFEROR

As at the Latest Practicable Date, the Offeror has an issued share capital of S\$1,049,533,815 divided into 770,506,154 ordinary shares, and a market capitalisation of approximately S\$5.09 billion.

### 4. SUMMARY OF FINANCIAL INFORMATION

A summary of the financial information relating to the UOL Group for FY2010, FY2011 and FY2012, and for the three (3) months ended 31 March 2013 (as released by the Offeror on the SGXNET on 10 May 2013), is set out below. This summary financial information should be read together with the audited consolidated financial statements of the UOL Group as set out in the annual reports of the Offeror for FY2010, FY2011 and FY2012, and the unaudited consolidated financial statements of the UOL Group for the three (3) months ended 31 March 2013, as released by the Offeror on the SGXNET on 10 May 2013, respectively (copies of which are available for inspection as set out in paragraph 15 of this Exit Offer Letter).

**(a) Consolidated Income Statements of the UOL Group**

A summary of the restated audited consolidated income statements of the UOL Group for FY2010 and FY2011, the audited consolidated income statements of the UOL Group for FY2012 and the unaudited consolidated income statements of the UOL Group for the three (3) months ended 31 March 2013, is set out below:

	<b>Audited</b>			<b>Unaudited 3 months ended</b>
	<b>FY2010<sup>(1)</sup> S\$'000</b>	<b>FY2011<sup>(2)</sup> S\$'000</b>	<b>FY2012 S\$'000</b>	<b>31 March 2013 S\$'000</b>
Revenue	1,349,057	1,960,234	1,145,777	247,784
Other gains / (losses)	50,790	(19,731)	(24,995)	948
Fair value gains on investment properties	134,863	187,222	442,097	—
Profit before income tax	889,780	903,955	964,347	92,601
Net profit	825,484	801,879	920,184	77,672
Non-controlling interests	(69,545)	(123,307)	(112,509)	(5,984)
Net profit after tax and non-controlling interests	755,939	678,572	807,675	71,688
EPS (cents)				
- Basic	96.94	88.12	105.06	9.31
- Diluted	96.86	88.05	104.88	9.30

**Notes:**

- (1) The FY2010 figures are based on 2010 audited financial statements restated for the effects of adoption of INT FRS 115 – Agreements for the Construction of Real Estate on 1 January 2011.
- (2) The FY2011 figures are based on 2011 audited financial statements restated for the effects of adoption of amendments to FRS 12 – Deferred Tax – recovery of underlying assets on 1 January 2012.

A summary of the gross dividend per ordinary share of the Offeror declared in each of FY2010, FY2011 and FY2012 is set out below. No interim dividend on the ordinary shares of the Offeror was declared for the three (3) months ended 31 March 2013.

	<b>Audited</b>		
	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>
Gross dividend declared			
First and Final (cents)	10.0	10.0	15.0
Special (cents)	5.0	5.0	—



**(b) Balance Sheet of the UOL Group**

A summary of the audited consolidated balance sheet of the UOL Group as at 31 December 2012, and the unaudited consolidated balance sheet of the UOL Group as at 31 March 2013, is set out below:

	<b>Audited as at 31 December 2012</b>	<b>Unaudited as at 31 March 2013</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Current assets	1,993,971	1,989,138
Non-current assets	7,570,351	7,620,520
Total assets	9,564,322	9,609,658
Current liabilities	988,001	898,847
Non-current liabilities	1,857,395	1,877,706
Total liabilities	2,845,396	2,776,553
<b>NET ASSETS</b>	<b>6,718,926</b>	<b>6,833,105</b>
Share capital	1,046,954	1,047,138
Reserves	5,095,658	5,202,167
Non-controlling interests	576,314	583,800
<b>TOTAL EQUITY</b>	<b>6,718,926</b>	<b>6,833,105</b>

**5. SIGNIFICANT ACCOUNTING POLICIES**

The audited consolidated financial statements of the UOL Group for FY2010, FY2011 and FY2012 have been prepared in accordance with the requirements of the Companies Act and the Singapore Financial Reporting Standards.

Please refer to note 2 to the audited consolidated financial statements of the UOL Group in the annual reports of the Offeror for FY2010, FY2011 and FY2012, for a summary of the significant accounting policies which are of major relevance for the interpretation of the said financial statements of the UOL Group.

Copies of the annual reports of the Offeror for FY2010, FY2011 and FY2012, and the unaudited consolidated financial statements of the UOL Group for the three (3) months ended 31 March 2013 as released by the Offeror on the SGXNET on 10 May 2013 are available for inspection as set out in paragraph 15 of this Exit Offer Letter.

**6. MATERIAL CHANGES IN FINANCIAL POSITION**

As at the Latest Practicable Date, save (a) as disclosed in this Exit Offer Letter, (b) as a result of the making and financing of the Exit Offer, (c) for the information of the UOL Group which is publicly available (including without limitation the unaudited consolidated financial statements of the UOL Group for the three (3) months ended 31 March 2013 which were released by the Offeror on the SGXNET on 10 May 2013 and other announcements released by the Offeror on the SGXNET), and (d) for changing factors and conditions in the economy and the Singapore property market, there has been no known material change in the financial position of the Offeror subsequent to 31 December 2012, being the date of its last published audited accounts.



## 7. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

### 7.1 Shareholdings in the Company

As at the Latest Practicable Date, save as disclosed below, none of the Offeror, its directors, parties acting or deemed to be acting in concert with the Offeror owns, controls or have agreed to acquire any PPHG Securities.

	No. of Shares	% <sup>(1)</sup>
Offeror <sup>(2) (3)</sup>	489,440,652	81.57
UOB <sup>(4)</sup>	47,913,000	7.99
Mr. Wee Ee-chao <sup>(5)</sup>	892,500	0.15
Mr. Gwee Lian Kheng <sup>(6)</sup>	486,000	0.08
Mr. Tan Tiong Cheng <sup>(7)</sup>	100,000	0.02
Ms. Wee Wei Ling <sup>(8)</sup>	94,500	0.02
Mr. Foo Thiam Fong Wellington <sup>(9)</sup>	30,000	0.01
Mr. Neo Soon Hup <sup>(10)</sup>	12,000	0.00
<b>Total</b>	<b>538,968,652</b>	<b>89.83</b>

**Notes:**

- (1) Based on 600,000,000 Shares, being the total number of issued Shares as at the Latest Practicable Date. Any discrepancy between the total percentage figure and the arithmetic addition of the component percentage figures is due to rounding.
- (2) The Offeror directly and beneficially owns 435,000,000 Shares and beneficially owns 54,440,652 Shares held in the name of UOB Kay Hian Pte Ltd ("**UOB Kay Hian**").
- (3) Dr. Wee Cho Yaw is deemed to be interested in 435,000,000 Shares held directly by the Offeror and 54,440,652 Shares held by UOB Kay Hian for the benefit of the Offeror.
- (4) UOB is deemed to be interested in 47,913,000 Shares held in the name of Tye Hua Nominees (Private) Limited.
- (5) Mr. Wee Ee-chao is deemed to be interested in 892,500 Shares held in the name of UOB Kay Hian for the benefit of K.I.P. Inc..
- (6) Mr. Gwee Lian Kheng holds 171,000 Shares directly and is deemed to be interested in 60,000 Shares held by his spouse, Ms. Low Rowee, and 255,000 Shares held by Melda Investment Pte Ltd.
- (7) Mr. Tan Tiong Cheng directly owns 100,000 Shares.
- (8) Ms. Wee Wei Ling, a director on the board of various subsidiaries of the Offeror, holds 27,000 Shares directly and is deemed to be interested in 67,500 Shares held by her spouse, Mr. Tan Deng Lang.
- (9) Mr. Foo Thiam Fong Wellington is a director on the board of various subsidiaries of the Offeror. Pursuant to the Code, Mr. Foo Thiam Fong Wellington is presumed to be a party acting in concert with the Offeror in respect of the Exit Offer.
- (10) Mr. Neo Soon Hup is a director on the board of a subsidiary of UOB. Pursuant to the Code, Mr. Neo Soon Hup is presumed to be a party acting in concert with the Offeror in respect of the Exit Offer.

### 7.2 Dealings in Shares

- (a) None of the Offeror, its directors, or parties acting or deemed to be acting in concert with the Offeror has dealt for value in any PPHG Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.
- (b) None of the Offeror or any party acting in concert with it has (i) granted a security interest over any PPHG Securities to another person, whether through a charge, pledge or otherwise, (ii) borrowed from another person any PPHG Securities (excluding borrowed PPHG Securities which have been on-lent or sold), or (iii) lent any PPHG Securities to another person.

7.3 No Undertakings

As at the Latest Practicable Date, none of the Offeror or the parties acting in concert with it has received any irrevocable undertaking from any party to accept or reject the Exit Offer.

7.4 Indemnity Agreements

As at the Latest Practicable Date, neither the Offeror nor any party acting in concert with it has entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the Shares which may be an inducement to deal or refrain from dealing in the Shares.

7.5 Agreement having any Connection with or Dependence upon the Exit Offer

As at the Latest Practicable Date, there is no agreement, arrangement or understanding between (a) the Offeror or any parties acting in concert with the Offeror and (b) any of the present or recent Directors or any of the present or recent Shareholders or any other person having any connection with or dependence upon the Exit Offer or is conditional upon the Exit Offer and its outcome.

7.6 Payment or Benefit to the Directors

As at the Latest Practicable Date, there is no agreement, arrangement or undertaking for payment or other benefit being made or given to any Director or any director of a corporation deemed to be related to the Company by virtue of Section 6 of the Companies Act as compensation for loss of office or as consideration for or in connection with his retirement from office or otherwise in connection with the Exit Offer.

7.7 Transfer of Shares

As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any Shares acquired pursuant to the Exit Offer, as the case may be, will or may be transferred to any other person. The Offeror, however, reserves the right to transfer any of the Shares to any of its related corporation (as defined in the Companies Act) or for the purpose of granting security in favour of financial institution(s) which have extended credit facilities to it.

7.8 Transfer Restrictions

The Memorandum and Articles of Association of the Company do not contain any restrictions on the right to transfer the Shares.

7.9 Material Change in Information

Save as disclosed in this Exit Offer Letter and save for the information relating to the Offeror and the Exit Offer that is publicly available, there has been, within the knowledge of the Offeror, no material change in any information previously published by or on behalf of the Offeror during the period commencing from the Joint Announcement Date and ending on the Latest Practicable Date.

**CIRCULAR DATED 15 JULY 2013**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

If you have sold or transferred all your shares in the capital of Pan Pacific Hotels Group Limited, you should immediately forward this Circular together with the Notice of Extraordinary General Meeting and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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

This Circular, the Exit Offer Letter and the Acceptance Forms (all as defined herein) shall not be construed as, may not be used for the purpose of, and do not constitute, a notice or proposal or advertisement or an offer or invitation or solicitation in any jurisdiction or in any circumstance in which such a notice or proposal or advertisement or an offer or invitation or solicitation is unlawful or not authorised, or to any person to whom it is unlawful to make such a notice or proposal or advertisement or an offer or invitation or solicitation.



**PAN PACIFIC HOTELS GROUP LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 196800248D)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

**THE PROPOSED VOLUNTARY DELISTING OF PAN PACIFIC HOTELS GROUP LIMITED  
PURSUANT TO RULES 1307 AND 1309 OF THE SGX-ST LISTING MANUAL**

Independent Financial Adviser to the Independent Director of Pan Pacific Hotels Group Limited



**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED, SINGAPORE BRANCH**

(Incorporated in Australia)  
(Australian Company Number: 005357522)

**IMPORTANT DATES, TIMES AND VENUE**

Last date and time for lodgement of proxy form	:	28 July 2013 at 12.15 p.m.
Date and time of Extraordinary General Meeting	:	30 July 2013 at 12.15 p.m.
Venue of Extraordinary General Meeting	:	PARKROYAL on Pickering William Pickering Ballroom Level 2, 3 Upper Pickering Street Singapore 058289

## CONTENTS

	PAGE
DEFINITIONS.....	2
INDICATIVE TIMETABLE .....	7
LETTER TO SHAREHOLDERS .....	8
1. INTRODUCTION.....	8
2. THE DELISTING PROPOSAL .....	8
3. THE EXIT OFFER.....	9
4. IMPLICATIONS OF COMPULSORY ACQUISITION AND DELISTING FOR SHAREHOLDERS.....	11
5. INFORMATION ON THE OFFEROR AND THE PARTIES ACTING IN CONCERT WITH IT ..	11
6. INFORMATION ON THE COMPANY AND THE GROUP .....	12
7. RATIONALE FOR THE DELISTING AND THE OFFEROR'S INTENTION RELATING TO THE COMPANY AND THE GROUP .....	12
8. OVERSEAS SHAREHOLDERS .....	13
9. INFORMATION IN RESPECT OF THE DIRECTORS .....	14
10. INTERESTS OF SUBSTANTIAL SHAREHOLDERS OF THE COMPANY .....	15
11. ADVICE OF ANZ TO THE INDEPENDENT DIRECTOR .....	15
12. INDEPENDENT DIRECTOR'S RECOMMENDATION .....	17
13. EXTRAORDINARY GENERAL MEETING.....	17
14. ACTION TO BE TAKEN BY SHAREHOLDERS.....	18
15. DIRECTORS' RESPONSIBILITY STATEMENT .....	18
16. CONSENTS .....	19
17. DOCUMENTS AVAILABLE FOR INSPECTION .....	19
18. ADDITIONAL INFORMATION .....	20
APPENDIX I	
LETTER FROM AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED, SINGAPORE BRANCH TO THE INDEPENDENT DIRECTOR.....	21
APPENDIX II	
ADDITIONAL INFORMATION ON THE COMPANY AND THE GROUP.....	47
APPENDIX III	
PROVISIONS IN THE ARTICLES RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING.....	54
APPENDIX IV	
VALUATION REPORTS PREPARED IN CONNECTION WITH THE EXIT OFFER.....	65
NOTICE OF EXTRAORDINARY GENERAL MEETING .....	145
PROXY FORM	

## DEFINITIONS

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

<b>“Acceptance Forms”</b>	:	FAA and/or FAT, as the case may be
<b>“ANZ”</b>	:	Australia and New Zealand Banking Group Limited, Singapore Branch, the independent financial adviser to the Independent Director in relation to the Exit Offer
<b>“Approval of Delisting Resolution Condition”</b>	:	Has the meaning ascribed to it in Section 3.2 of the Letter to the Shareholders as set out in this Circular
<b>“Articles”</b>	:	The Articles of Association of the Company
<b>“Board”</b>	:	The board of Directors
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“CEO”</b>	:	Chief Executive Officer
<b>“Circular”</b>	:	This circular to Shareholders dated 15 July 2013 issued by the Company
<b>“Closing Date”</b>	:	13 August 2013, or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last day for the lodgment of acceptances of the Exit Offer
<b>“Code”</b>	:	The Singapore Code on Take-overs and Mergers
<b>“Companies Act”</b>	:	Companies Act (Chapter 50 of Singapore)
<b>“Company”</b>	:	Pan Pacific Hotels Group Limited
<b>“Controlling Shareholders”</b>	:	Shareholders who: <ul style="list-style-type: none"> <li>(a) hold directly or indirectly 15% or more of the total number of the issued Shares; or</li> <li>(b) in fact exercise control over the Company</li> </ul>
<b>“Convertible Securities”</b>	:	Securities convertible or exchangeable into new shares or existing shares
<b>“CPF”</b>	:	Central Provident Fund
<b>“CPF Agent Banks”</b>	:	The banks approved by the CPF to be its agent banks, being DBS Bank Ltd, Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited
<b>“CPFIS”</b>	:	Central Provident Fund (Investment Schemes) Regulations
<b>“CPFIS Investors”</b>	:	Investors who purchased Shares using their CPF savings under the CPFIS
<b>“Delisting”</b>	:	The voluntary delisting of the Company from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual

<b>“Delisting Proposal”</b>	:	Has the meaning ascribed to it in Section 1.1 of the Letter to the Shareholders as set out in this Circular
<b>“Delisting Resolution”</b>	:	The resolution to be proposed at the EGM to approve the Delisting
<b>“Derivatives”</b>	:	Includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities
<b>“Directors”</b>	:	Directors of the Company as at the Latest Practicable Date
<b>“EGM”</b>	:	The extraordinary general meeting of the Company to be held on 30 July 2013, notice of which is set out on page 145 of this Circular, and any adjournment thereof
<b>“Encumbrances”</b>	:	Has the meaning ascribed to it in Section 3.1 of the Letter to the Shareholders as set out in this Circular
<b>“Exit Offer”</b>	:	The delisting exit offer by the Offeror to acquire the Offer Shares on the terms and conditions set out in the Exit Offer Letter (including the relevant Acceptance Forms)
<b>“Exit Offer Letter”</b>	:	The letter dated 15 July 2013 from the Offeror to the Shareholders in relation to the Exit Offer
<b>“Exit Offer Period”</b>	:	The period from the Joint Announcement Date until the date the Exit Offer is declared to have closed or lapsed
<b>“Exit Offer Price”</b>	:	Has the meaning ascribed to it in Section 3.1 of the Letter to the Shareholders as set out in this Circular
<b>“FAA”</b>	:	Form of Acceptance and Authorisation for Offer Shares to be issued to Shareholders whose Shares are deposited with CDP
<b>“FAT”</b>	:	Form of Acceptance and Transfer for Offer Shares to be issued to Shareholders whose Shares are not deposited with CDP
<b>“FY”</b>	:	Financial year ended or ending (as the case may be) on 31 December of a particular year as stated
<b>“FY2012 Dividend”</b>	:	Has the meaning ascribed to it in Section 3.1 of the Letter to the Shareholders as set out in this Circular
<b>“Group”</b>	:	The Company, its subsidiaries and associated companies
<b>“Independent Director”</b>	:	The Director who is considered to be independent for the purposes of making recommendations to Shareholders in respect of the Delisting and the Exit Offer, being Mr. Amedeo Patrick Imbardelli
<b>“Interested Person”</b>	:	As defined in the Note on Rule 23.12 of the Code, an Interested Person, in relation to a company, is: <ul style="list-style-type: none"> <li>(a) a director, chief executive officer, or substantial shareholder of the company;</li> </ul>

- (b) the immediate family of a director, the chief executive officer, or a substantial shareholder (being an individual) of the company;
- (c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer or a substantial shareholder (being an individual) and his immediate family is a beneficiary;
- (d) any company in which a director, the chief executive officer or a substantial shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (e) any company that is the subsidiary, holding company or fellow subsidiary of the substantial shareholder (being a company); or
- (f) any company in which a substantial shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more

<b>“Joint Announcement”</b>	:	Joint announcement dated 10 May 2013 by the Offeror and the Company on the Delisting Proposal and the Exit Offer
<b>“Joint Announcement Date”</b>	:	10 May 2013, being the date of the Joint Announcement
<b>“Latest Practicable Date”</b>	:	8 July 2013, being the latest practicable date prior to the printing of this Circular
<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“Memorandum”</b>	:	The Memorandum of Association of the Company
<b>“NTA”</b>	:	Net tangible assets
<b>“Offer Shares”</b>	:	Has the meaning ascribed to it in Section 3 of the Letter to the Shareholders as set out in this Circular
<b>“Offeror”</b>	:	UOL Group Limited
<b>“Offeror Group”</b>	:	The Offeror and its subsidiaries
<b>“Options”</b>	:	Options to subscribe for or purchase new shares
<b>“Relevant Directors”</b>	:	The Directors who are exempted from making a recommendation to Shareholders in respect of the Exit Offer, namely Dr. Wee Cho Yaw, Mr. Gwee Lian Kheng, Mr. Low Weng Keong, Mr. Wee Ee-chao, Mr. Wee Ee Lim, Ms. Wee Wei Ling and Mr. James Koh Cher Siang
<b>“Securities Account”</b>	:	Securities account maintained by a depositor with CDP, but does not include a securities sub-account
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited



<b>“Shareholders”</b>	:	Registered holders of the Shares, except that where the registered holder is CDP, the term <b>“Shareholders”</b> shall, where the context admits, mean the depositors who have Shares entered against their names in the Depository Register
<b>“Shares”</b>	:	Issued ordinary shares in the capital of the Company
<b>“SIC”</b>	:	Securities Industry Council of Singapore
<b>“S\$” and “cents”</b>	:	Singapore dollars and cents, being the lawful currency of the Republic of Singapore
<b>“UOB”</b>	:	United Overseas Bank Limited, the financial adviser to the Offeror in connection with the Delisting and the Exit Offer
<b>“UOB Kay Hian”</b>	:	UOB Kay Hian Pte Ltd
<b>“VWAP”</b>	:	Volume weighted average price
<b>“Warrants”</b>	:	Rights to subscribe for or purchase new shares or existing shares
<b>“%” or “per cent.”</b>	:	Per centum or percentage

Unless otherwise defined, the term **“acting in concert”** shall have the meaning ascribed to it in the Code.

The terms **“depositor”**, **“depository agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

The terms **“subsidiary”** and **“related corporation”** have the meanings ascribed to them respectively in Section 5 and Section 6 of the Companies Act.

The term **“treasury shares”** shall have the meaning ascribed to it in Section 4 of the Companies Act.

The term **“substantial shareholder”** shall have the meaning ascribed to it in Section 81 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing one gender shall include the other gender. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Companies Act, the Listing Manual or the Code or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Listing Manual or the Code or any modification thereof, as the case may be, unless the context otherwise requires.

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

Any discrepancies in this Circular between the listed amounts and the total thereof are due to rounding. Accordingly, figures may have been adjusted to ensure that totals reflect an arithmetic aggregation of the figures that precede them.

In this Circular, the issued and paid-up share capital of the Company as at the Latest Practicable Date is S\$557,332,834 comprising 600,000,000 Shares. The Company does not hold any treasury shares as at the Latest Practicable Date.

### Forward-Looking Statements

*All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the party making the statements regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Company nor the Offeror undertakes any obligation to update publicly or revise any forward-looking statements.*

## INDICATIVE TIMETABLE

Last date and time for lodgment of proxy forms for the EGM <sup>(1)</sup>	:	28 July 2013 at 12.15 p.m.
Date and time of the EGM	:	30 July 2013 at 12.15 p.m.
Expected Closing Date of the Exit Offer	:	13 August 2013 at 5:30 p.m., or such other date(s) as may be announced from time to time by or on behalf of the Offeror
Expected date for the Delisting of the Shares	:	Approximately two (2) to three (3) weeks after the Closing Date, or such other date as may be announced from time to time by or on behalf of the Company
Expected date(s) for the payment of the Exit Offer Price, in respect of valid acceptances of the Exit Offer	:	<p>Within 10 days:</p> <p>(a) after the Delisting Resolution has been passed at the EGM (where valid acceptances of the Exit Offer are tendered on or prior to the date of the Delisting Resolution being passed at the EGM); or</p> <p>(b) after the date of receipt of valid acceptances of the Exit Offer (where such acceptances are tendered after the Delisting Resolution has been passed at the EGM but before the close of the Exit Offer)</p>

Shareholders should note that, save for the last date and time for lodgment of proxy forms for the EGM, the date and time of the EGM and the date(s) for the payment of the Exit Offer Price, in respect of valid acceptances of the Exit Offer, the above timetable is indicative only and may be subject to change. For the events listed above which are described as “expected”, please refer to future announcement(s) by the Company for the exact dates and times of these events.

**Note:**

- (1) Proxy forms should be duly completed and deposited at the office of the Company’s registered address at 101 Thomson Road, #33-00 United Square, Singapore 307591, not less than 48 hours before the time appointed for holding the EGM. Completion and return of a proxy form will not preclude a Shareholder from attending and voting in person at the EGM in place of his proxy.

**PLEASE NOTE THAT THE EXIT OFFER IS CONDITIONAL UPON THE DELISTING RESOLUTION BEING PASSED AT THE EGM TO BE CONVENED BUT IS NOT CONDITIONAL UPON A MINIMUM NUMBER OF ACCEPTANCES BEING RECEIVED BY THE OFFEROR. IF THE CONDITION IS NOT FULFILLED, THE DELISTING WILL NOT PROCEED, THE COMPANY WILL REMAIN LISTED ON THE SGX-ST AND THE EXIT OFFER WILL LAPSE.**

**PLEASE ALSO NOTE THAT APPROVING THE DELISTING RESOLUTION AT THE EGM DOES NOT AUTOMATICALLY MEAN THAT YOU HAVE ACCEPTED THE EXIT OFFER. PLEASE REFER TO SECTION 14.2 OF THE LETTER TO THE SHAREHOLDERS AS SET OUT IN THIS CIRCULAR IF YOU WISH TO ACCEPT THE EXIT OFFER.**

# PAN PACIFIC HOTELS GROUP LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 196800248D)

## Board of Directors:

Dr. Wee Cho Yaw	(Chairman)
Mr. Gwee Lian Kheng	(Executive Director; Group Chief Executive)
Mr. Low Weng Keong	(Non-executive independent Director)
Mr. Wee Ee-chao	(Non-executive Director)
Mr. Wee Ee Lim	(Non-executive Director)
Ms. Wee Wei Ling	(Executive Director)
Mr. James Koh Cher Siang	(Non-executive independent Director)
Mr. Amedeo Patrick Imbardelli	(Executive Director; President & CEO)

## Registered Office:

101 Thomson Road  
#33-00 United Square  
Singapore 307591

15 July 2013

To: The Shareholders of the Company

Dear Sir / Madam

## PROPOSED VOLUNTARY DELISTING OF PAN PACIFIC HOTELS GROUP LIMITED PURSUANT TO RULES 1307 AND 1309 OF THE LISTING MANUAL

### 1. INTRODUCTION

- 1.1 On 10 May 2013, the Company and the Offeror jointly announced that the Offeror had presented to the Directors a formal proposal (the “**Delisting Proposal**”) to seek the voluntary delisting of the Company from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual.
- 1.2 Under the Delisting Proposal, UOB, on behalf of the Offeror, will make a conditional cash offer to acquire all the Offer Shares at the Exit Offer Price of S\$2.55 in cash for each Offer Share. A copy of the Joint Announcement is available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).
- 1.3 The Directors have reviewed the Delisting Proposal and decided to (a) apply to the SGX-ST for the Delisting; and (b) subject to the approval of the SGX-ST, convene an EGM of the Company to seek the approval of Shareholders for the Delisting.
- 1.4 The purpose of this Circular is to provide Shareholders with relevant information regarding the Delisting Proposal and the Exit Offer and to seek Shareholders’ approval for the Delisting at the EGM to be held on 30 July 2013.

### 2. THE DELISTING PROPOSAL

Under the terms of the Delisting Proposal, the Offeror is making the Exit Offer to acquire the Offer Shares. The Exit Offer is conditional on the Delisting Resolution being passed at the EGM but is not conditional upon a minimum number of acceptances being received by the Offeror. The Delisting Resolution, if passed by Shareholders at the EGM, will result in the delisting of the Company from the Official List of the SGX-ST.

## 2.1 Rules 1307 and 1309 of the Listing Manual

Under Rule 1307 of the Listing Manual, the SGX-ST may agree to an application for the Company to delist from the Official List of the SGX-ST if:

- (a) the Company convenes the EGM to obtain Shareholders' approval for the Delisting;
- (b) the Delisting Resolution has been approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Directors and Controlling Shareholders are not required to abstain from voting on the Delisting Resolution); and
- (c) the Delisting Resolution has not been voted against by 10% or more of the total number of issued Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM.

In addition, under Rule 1309 of the Listing Manual, if the Company is seeking to delist from the SGX-ST:

- (i) a reasonable exit alternative, which should normally be in cash, should be offered to Shareholders; and
- (ii) the Company should normally appoint an independent financial adviser to advise on the Exit Offer.

## 2.2 Application to the Securities Industry Council

As stated in the Exit Offer Letter, an application was made by the Offeror to the SIC to seek clarification regarding the extent to which the provisions of the Code applied to the Exit Offer. Please refer to paragraph 8 of the Exit Offer Letter for the rulings of the SIC.

## 3. **THE EXIT OFFER**

As stated in the Exit Offer Letter, subject to the Approval of Delisting Resolution Condition (as defined below), UOB, for and on behalf of the Offeror, offers to acquire all the Shares, other than those Shares already held directly or indirectly by the Offeror as at the date of the Exit Offer (the "**Offer Shares**"), on the terms and subject to the conditions set out in the Exit Offer Letter (including the Acceptance Forms).

### 3.1 Terms of the Exit Offer

As stated in the Exit Offer Letter, the Offeror will make the Exit Offer for the Offer Shares on the following basis:

**For each Offer Share: S\$2.55 in cash ("**Exit Offer Price**").**

The Exit Offer Price shall be applicable to any number of Offer Shares that are tendered in acceptance of the Exit Offer.

As stated in the Exit Offer Letter, the Offer Shares will be acquired fully paid and free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever ("**Encumbrances**"), and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive all dividends and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date (other than, for the avoidance of doubt, the first and final dividend declared on 28 February 2013 for FY2012, which was paid on 10 May 2013 ("**FY2012 Dividend**"))).

Further details on the Exit Offer are set out in the Exit Offer Letter containing, *inter alia*, the terms of the Exit Offer and the relevant Acceptance Forms.

### 3.2 Conditions

As stated in the Exit Offer Letter, the Delisting and the Exit Offer will be conditional on:

- (a) the Delisting Resolution being approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares) held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Directors and Controlling Shareholders need not abstain from voting on the Delisting Resolution); and
- (b) the Delisting Resolution not being voted against by 10% or more of the total number of issued Shares (excluding treasury shares) held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM,

(collectively, the “**Approval of Delisting Resolution Condition**”).

The Exit Offer is **not** conditional on a minimum number of acceptances being received by the Offeror.

**Under Rule 1307 of the Listing Manual, all Shareholders (including the Offeror and parties acting in concert with the Offeror who hold Shares) are entitled to vote on the Delisting Resolution.**

The Offeror, which owns 489,440,652 Shares as at the Latest Practicable Date, representing approximately 81.57% of the total number of issued Shares, is entitled to and intends to vote all its Shares in favour of the Delisting Resolution at the EGM.

An application was made by the Company to the SGX-ST on 13 June 2013 to delist the Company from the Official List of the SGX-ST. The SGX-ST has in its letter dated 5 July 2013 advised that it has no objection to the Delisting, subject to the compliance of Rules 1307 and 1309 of the Listing Manual. However, this is not to be taken as an indication of the merits of the Delisting.

**Shareholders are to note that if the Approval of Delisting Resolution Condition is not fulfilled, the Delisting will not proceed and the Company will remain listed on the Official List of the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.**

### 3.3 Warranty

As stated in the Exit Offer Letter, acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Shareholder that each Offer Share in respect of which the Exit Offer is accepted and sold by him as, or on behalf of, the beneficial owner(s) thereof, is fully paid and free from all Encumbrances, and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive all dividends and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date (other than, for the avoidance of doubt, the FY2012 Dividend)).

### 3.4 Duration

As stated in the Exit Offer Letter, the Exit Offer is open for acceptance from the date of despatch of the Exit Offer Letter. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances are conditional and if the Delisting Resolution is not passed at the EGM, the Approval of Delisting Resolution Condition will not be fulfilled and the Exit Offer will lapse, and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.

As stated in the Exit Offer Letter, if the Delisting Resolution is passed by the Shareholders at the EGM, the Exit Offer will continue to be open for acceptance by the Shareholders for at least 14 days after the date of the announcement of the satisfaction of the Approval of Delisting Resolution Condition. Accordingly, the Exit Offer will close at **5:30 p.m. on 13 August 2013** or such later date(s) as may be announced from time to time by or on behalf of the Offeror (i.e. the Closing Date).

#### **4. IMPLICATIONS OF COMPULSORY ACQUISITION AND DELISTING FOR SHAREHOLDERS**

##### **4.1 Delisting**

Shareholders should note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of marketability. **Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit. If the Company is delisted, even if such Shareholders were able to sell their Shares, they may receive a lower price as compared to the Exit Offer Price.** Further, any transfer or sale of Shares represented by share certificates will be subject to a stamp duty.

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

As an unlisted company, the Company will no longer be obliged to comply with the listing requirements of the SGX-ST, in particular the continuing corporate disclosure requirements under Chapter 7 and Appendices 7.1, 7.2, 7.4.1 and 7.4.2 of the Listing Manual. Nonetheless, as a company incorporated in Singapore, the Company will still need to comply with the Companies Act and its Memorandum and Articles, and the interests of Shareholders who do not accept the Exit Offer will be protected to the extent provided for by the Companies Act.

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

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

##### **4.2 Compulsory Acquisition**

**As stated in the Exit Offer Letter, when entitled, the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act.**

Please refer to paragraph 6 of the Exit Offer Letter for details on, *inter alia*, the rights of the Offeror and Shareholders under Section 215 of the Companies Act.

#### **5. INFORMATION ON THE OFFEROR AND THE PARTIES ACTING IN CONCERT WITH IT**

Please refer to paragraph 3 of the Exit Offer Letter and Appendix II to the Exit Offer Letter for information and further disclosure on the Offeror as well as other parties acting in concert with the Offeror.



## 6. INFORMATION ON THE COMPANY AND THE GROUP

The Company is incorporated in Singapore and listed on the Mainboard of the SGX-ST. The principal activities of the Company are those of a hotelier, property owner and the holding of investments.

Additional information on the Company is set out in **Appendix II** to this Circular.

## 7. RATIONALE FOR THE DELISTING AND THE OFFEROR'S INTENTION RELATING TO THE COMPANY AND THE GROUP

- 7.1 The following section on the rationale for the Exit Offer and the Offeror's intention relating to the Company and the Group is reproduced from paragraph 5 of the Exit Offer Letter, and all terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated:

### **"5. RATIONALE FOR THE DELISTING**

#### **5.1 Opportunity to Realise Investments with an Upfront Premium**

*The Exit Offer Price represents a premium of approximately 8.97% over the last transacted price per Share of S\$2.34 as at 9 May 2013, being the last full day of trading in the Shares on the SGX-ST immediately prior to the Joint Announcement Date (the "**Last Trading Day**"), and a premium of approximately 8.19%, 6.12%, 8.14% and 17.89% over the volume weighted average price ("**VWAP**") per Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods, respectively, up to and including the Last Trading Day.*

*Through the Delisting Proposal, the accepting Shareholders will have an opportunity to realise their investments in the Company for a cash consideration at a premium over the market prices of the Shares up to and including the Last Trading Day, an option which may not otherwise be readily available due to the low trading liquidity of the Shares, without incurring brokerage and other trading costs.*

#### **5.2 Low Trading Liquidity and Low Free Float**

*The trading liquidity of the Shares on the SGX-ST in the past year has been generally thin. The average daily trading volume of the Shares for the 12-month, six (6)-month, three (3)-month and one (1)-month periods up to and including the Last Trading Day are approximately as follows:*

<b>Period prior to the Last Trading Day</b>	<b>Average Daily Trading Volume<sup>(1)(2)</sup> ('000)</b>
<i>Last 12 months</i>	<i>30</i>
<i>Last six (6) months</i>	<i>25</i>
<i>Last three (3) months</i>	<i>24</i>
<i>Last one (1) month</i>	<i>7</i>

#### **Notes:**

(1) Source: Bloomberg L.P..

(2) The average daily trading volume is computed based on the total trading volume of the Shares on the SGX-ST, divided by the total number of days on which the SGX-ST is open for trading during the relevant periods.

*In addition, as at the Latest Practicable Date, the Offeror owns 489,440,652 Shares representing approximately 81.57% of the total number of issued Shares, and UOB owns 47,913,000 Shares representing approximately 7.99% of the total number of issued Shares. This implies a free float of no greater than 10.44% of the total number of issued Shares.*

*The Exit Offer will provide an exit option for those Shareholders who wish to realise their entire investment in the Shares but find it difficult to do so as a result of the low trading liquidity of the Shares and low free float of the Shares.*

**5.3 Compliance Costs of Maintaining Listing**

*In maintaining the Company's listing status, the Company incurs additional compliance and associated costs. The Company will be able to, as a non-listed entity, dispense with costs associated with complying with the SGX-ST listing requirements and other regulatory requirements as well as human resources that have to be committed for such compliance and channel its resources to its business operations.*

**5.4 No Need for Access to Capital Markets**

*A primary reason for companies to maintain a listing on the SGX-ST is to access the Singapore capital markets for funding. It is noted that the Company has not carried out any fund-raising exercise on the SGX-ST in the last 20 years, save for a non-underwritten rights issue in 2007. The Company is unlikely to require access to the Singapore capital markets to finance its operations in the foreseeable future. Accordingly, it is not necessary for the Company to maintain its listing status.*

**5.5 Offeror's Intention**

*Following the privatisation of the Company, the Offeror will have greater management flexibility to review the operations, management and financial position of the Company and its subsidiaries (the "**Group**"), and to evaluate various options or opportunities which may present themselves which it regards to be in the interests of the Offeror and/or the Company. Save for the foregoing, the Offeror has no current intention of (a) making material changes to the Company's existing business, (b) re-deploying the Company's fixed assets, or (c) discontinuing the employment of the employees of the Group, other than in the ordinary course of business following the privatisation of the Company."*

- 7.2 The Directors note that the Offeror has stated its intention in relation to the operations and businesses of the Company as well as the employees of the Group in paragraph 5.5 of the Exit Offer Letter.

**SHAREHOLDERS ARE URGED TO READ PARAGRAPH 5 OF THE EXIT OFFER LETTER CAREFULLY.**

**8. OVERSEAS SHAREHOLDERS**

- 8.1 This Circular does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Circular in any jurisdiction in contravention of any applicable law. The Exit Offer will be made solely by the Exit Offer Letter and the relevant Acceptance Forms accompanying the Exit Offer Letter, which will contain the full terms and conditions of the Exit Offer, including details of how the Exit Offer may be accepted.

The release, publication or distribution of this Circular in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Circular is released, published or distributed should inform themselves about and observe such restrictions.

- 8.2 Please refer to paragraph 12 of the Exit Offer Letter for the points to be noted by Overseas Shareholders in relation to the Exit Offer.

## 9. INFORMATION IN RESPECT OF THE DIRECTORS

### 9.1 Independence of Directors

The Independent Director is independent for the purposes of the Exit Offer and is required to make a recommendation to Shareholders in respect of the Exit Offer. The SIC has ruled on 15 May 2013 that the Relevant Directors will be exempted from the requirement of making a recommendation to Shareholders on the Exit Offer as they face irreconcilable conflicts of interests in relation to the Exit Offer for the reasons as set out below:

- (a) Dr. Wee Cho Yaw is a director of the Offeror and the Offeror's non-executive Chairman;
- (b) Mr. Gwee Lian Kheng is a director of the Offeror and the Offeror's Group Chief Executive;
- (c) Mr. Low Weng Keong is a non-executive independent director of the Offeror;
- (d) Mr. Wee Ee-chao is a non-executive director of the Offeror;
- (e) Mr. Wee Ee Lim is a non-executive director of the Offeror;
- (f) Ms. Wee Wei Ling is the daughter of Dr. Wee Cho Yaw and the sister of Mr. Wee Ee-chao and Mr. Wee Ee Lim; and
- (g) Mr. James Koh Cher Siang is a non-executive independent director of UOB and was from 23 November 2005 till 1 April 2012 also a non-executive independent director of the Offeror.

All the Directors (including, for the avoidance of doubt, the Relevant Directors) are responsible for the accuracy of facts stated and completeness of the information given by the Company to the Shareholders in connection with the Exit Offer, including information contained in announcements and documents issued by or on behalf of the Company in connection with the Exit Offer.

### 9.2 Directors' Interests

As at the Latest Practicable Date, the direct or deemed interest of the Directors in any (a) Shares or (b) Convertible Securities, Warrants, Options or Derivatives in respect of any Shares are as follows:

	Direct Interest		Deemed Interest		Total	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
<b>Directors</b>						
Dr. Wee Cho Yaw	—	—	489,440,652 <sup>(2)</sup>	81.57	489,440,652	81.57
Mr. Gwee Lian Kheng	171,000	0.03	315,000 <sup>(3)</sup>	0.05	486,000	0.08
Mr. Wee Ee-chao	—	—	892,500 <sup>(4)</sup>	0.15	892,500	0.15
Ms. Wee Wei Ling	27,000	0.00	67,500 <sup>(5)</sup>	0.01	94,500	0.02

#### Notes:

- (1) Based on 600,000,000 Shares in issue as at the Latest Practicable Date.
- (2) Dr. Wee Cho Yaw is deemed to be interested in 435,000,000 Shares held directly by the Offeror and 54,440,652 Shares held by UOB Kay Hian for the benefit of the Offeror.
- (3) Mr. Gwee Lian Kheng is deemed to be interested in 60,000 Shares held by his spouse, Ms. Low Rowee, and 255,000 Shares held by Melda Investment Pte Ltd.
- (4) Mr. Wee Ee-chao is deemed to be interested in 892,500 Shares held in the name of UOB Kay Hian for the benefit of K.I.P. Inc..
- (5) Ms. Wee Wei Ling is deemed to be interested in 67,500 Shares held by her spouse, Mr. Tan Deng Lang.

Further details of the Directors including, *inter alia*, the Directors' direct and deemed interests in shares in the Offeror as at the Latest Practicable Date are set out in **Appendix II** to this Circular.

## 10. INTERESTS OF SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

The interests of the substantial Shareholders in the Company Securities as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are as set out below:

	Direct Interest		Deemed Interest		Total	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
<b>Substantial Shareholders</b>						
Offeror	435,000,000	72.50	54,440,652 <sup>(2)</sup>	9.07	489,440,652	81.57
Dr. Wee Cho Yaw	—	—	489,440,652 <sup>(3)</sup>	81.57	489,440,652	81.57
UOB	—	—	47,913,000 <sup>(4)</sup>	7.99	47,913,000	7.99

**Notes:**

- (1) Based on 600,000,000 Shares in issue as at the Latest Practicable Date.
- (2) The Offeror beneficially owns 54,440,652 Shares held in the name of UOB Kay Hian.
- (3) Dr. Wee Cho Yaw is deemed to be interested in 435,000,000 Shares held directly by the Offeror and 54,440,652 Shares held by UOB Kay Hian for the benefit of the Offeror.
- (4) UOB is deemed to be interested in 47,913,000 Shares held in the name of Tye Hua Nominees (Private) Limited.

## 11. ADVICE OF ANZ TO THE INDEPENDENT DIRECTOR

ANZ has been appointed as the independent financial adviser to the Independent Director in relation to the Exit Offer. The letter from ANZ setting out its advice to the Independent Director is set out in **Appendix I** to this Circular. Shareholders are advised to read and consider carefully, in its entirety, the advice of ANZ contained in the letter from ANZ to the Independent Director. An extract of ANZ's advice in relation to the Exit Offer is reproduced in italics below:

### **“8. RECOMMENDATION**

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

- (i) *the Shares have low trading liquidity and the Exit Offer therefore provides an opportunity for Shareholders to cash out at a premium to market prices without incurring trading commission and other costs. The Exit Offer is particularly useful to Shareholders holding significant blocks of Shares who had sought to dispose their Shares but were hampered from doing so by the thin trading volume of the Shares;*
- (ii) *during the 24-month period prior to the Joint Announcement Date up to the Last Trading Day, the closing prices of the Shares have traded within a range of S\$1.70 to S\$2.54. The Exit Offer Price represents a premium of approximately 50.00% over the lowest closing price of S\$1.70 and a premium of approximately 0.39% over the highest closing price of S\$2.54 during this period;*
- (iii) *from the first trading day after the Joint Announcement Date and up to the Latest Practicable Date, the closing prices of the Shares have traded between S\$2.53 and S\$2.54. The Exit Offer Price represents a 0.75% premium over the VWAP of the Shares for the period from the first trading day after the Joint Announcement Date up to the Latest Practicable Date;*
- (iv) *the Shares have not traded at or above the Exit Offer Price since the Joint Announcement Date. The Exit Offer Price represents a premium of approximately 0.79% to the last closing price of the Shares of S\$2.53 as at the Latest Practicable Date;*

- (v) *the Exit Offer Price represents a premium of approximately 8.97% over the closing price of S\$2.34 on the Last Trading Day;*
- (vi) *the Exit Offer Price represents a premium of 25.62%, 17.89%, 8.14%, 6.12% and 8.19% over the VWAP of the Shares in the 24-month, 12-month, 6-month, 3-month and 1-month periods up to the Last Trading Day;*
- (vii) *the Shares have generally outperformed the STI Index and the Comparable Companies Index over the 2-year period up to the Joint Announcement Date. However, we note that given the limited liquidity, the historically transacted prices of the Shares may not be a meaningful indicator of its market value;*
- (viii) *the Exit Offer Price is at a significant premium relative to the Group's historical NAV per Share and NTA per Share over the 2-year period prior to the Joint Announcement Date;*
- (ix) *the Exit Offer Price is at a premium relative to the Group's historical RNAV per Share for the 2-year period prior to the Joint Announcement Date, with the exception of the period beginning 1 January 2013 up till the Latest Practicable Date;*
- (x) *the EV/EBITDA multiple of the Company as implied by the Exit Offer Price is higher than the mean and median EV/EBITDA multiples of the Comparable Companies;*
- (xi) *the P/E multiple of the Company as implied by the Exit Offer Price is higher than the mean and median P/E multiples of the Comparable Companies;*
- (xii) *the P/NTA multiple of the Company as implied by the Exit Offer Price is higher than the mean and median P/E multiples of the Comparable Companies;*
- (xiii) *the historical dividend yield of the Shares is within the range of the ordinary dividend yields of the Comparable Companies which declared dividends for their most recent reported financial year and below the mean but higher than the median dividend yields;*
- (xiv) *the market price premia implied by the Exit Offer Price is within the range of the premia of the Successful Delisting Offers and below the corresponding mean and median premia, while the P/NTA implied by the Exit Offer Price is higher than the mean and median premia of the Successful Delisting Offers. The P/NTA implied by the Exit Offer Price is also higher than the P/NTA multiple for all the Successful Delisting Offers, except in the cases of the Cerebos Pacific and Gul Technologies transactions;*
- (xv) *the market price premia implied by the Exit Offer Price is within the range of the premia of the Successful Privatisation Transactions and below the corresponding mean and median premia, while the P/NTA implied by the Exit Offer Price is equal to the mean but higher than the median premia of the Successful Privatisation Transactions;*
- (xvi) *the Offeror intends to delist the Company from the SGX-ST and, when entitled, to exercise its right under Section 215(1) of the Companies Act to compulsorily acquire, at the Exit Offer Price, all the Shares held by Shareholders who have not accepted the Exit Offer;*
- (xvii) *as informed by the Directors, the Company has not received any competing offer or an enhancement or revision of the Exit Offer and there is no publicly available evidence of an Alternative Offer for the Shares from any third party as the Latest Practicable Date. In the event of an alternative or competing offer, we note that unless the Offeror accepts such alternative or competing offer, any offer made by any third parties would not be capable of becoming unconditional; and*

(xviii) the Offeror holds approximately 81.57% of the total number of issued Shares in the Company as at the Latest Practicable Date.

***Based on the considerations set out in this letter and the information available to us as at the Latest Practicable Date, we are of the opinion that the financial terms of the Exit Offer are fair and reasonable and not prejudicial to the interests of the Shareholders in the context of a delisting exit offer involving no change in control of the Company. We recommend that the Independent Director should advise the Shareholders to VOTE IN FAVOUR of the Delisting Resolution and either ACCEPT the Exit Offer or sell their Shares in the open market if they can obtain a price higher than the Exit Offer Price (after taking into account all brokerage commissions or transaction costs in connection with open market transactions) by doing so.***

***Shareholders should note that unless the Delisting Resolution is voted against by 10% of more of the total number of Shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM, the Delisting Resolution is likely to be passed at the EGM given the voting intentions of the Offeror."***

## **12. INDEPENDENT DIRECTOR'S RECOMMENDATION**

Shareholders are advised by the Independent Director to read and consider carefully the following recommendation of the Independent Director and the advice of ANZ contained in the letter from ANZ to the Independent Director as reproduced in **Appendix I** to this Circular in its entirety. The Independent Director advises the Shareholders to review paragraph 5 of the Exit Offer Letter carefully. The Independent Director also draws the attention of the Shareholders to Section 4 of this Letter to the Shareholders entitled "Implications of Compulsory Acquisition and Delisting for Shareholders".

In reaching the recommendation set out below, the Independent Director has considered carefully, amongst other things, the terms of the Delisting Proposal including the Exit Offer and the advice given by ANZ.

**Having taken the above matters into consideration, the Independent Director concurs with the advice of ANZ in respect of the Exit Offer.**

**Accordingly, the Independent Director recommends that Shareholders VOTE IN FAVOUR of the Delisting Resolution and either ACCEPT the Exit Offer or sell their Shares in the open market if they can obtain a price higher than the Exit Offer Price (after taking into account all brokerage commissions or transaction costs in connection with open market transactions) by doing so.**

In rendering the above advice and giving the above recommendations, the Independent Director has not taken into consideration nor had regard to the general or specific investment objectives, financial situation, risk profiles, tax position and/or particular or unique needs and constraints of any individual Shareholder. As different Shareholders have different investment profiles and objectives, the Independent Director recommends that any Shareholder who may require specific advice in relation to the Exit Offer consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

## **13. EXTRAORDINARY GENERAL MEETING**

The EGM, as convened by the notice attached to this Circular, will be held at PARKROYAL on Pickering, William Pickering Ballroom, Level 2, 3 Upper Pickering Street, Singapore 058289 on 30 July 2013 at 12.15 p.m.. The purpose of the EGM is for Shareholders to consider and, if thought fit, pass, on a poll, with or without amendments, the Delisting Resolution set out in the notice of EGM on page 145 of this Circular.



## 14. ACTION TO BE TAKEN BY SHAREHOLDERS

### 14.1 Voting at the EGM

Shareholders will find enclosed with this Circular, the notice of EGM and a proxy form. If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached proxy form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 101 Thomson Road, #33-00 United Square, Singapore 307591, not later than 48 hours before the time of the EGM on 30 July 2013 at 12.15 p.m.. Completion and return of a proxy form by a Shareholder will not prevent him from attending and voting in person at the EGM if he so wishes, in place of his proxy.

### 14.2 Acceptance of the Exit Offer

The Exit Offer Letter and the Acceptance Forms have been despatched together with this Circular.

The Exit Offer may only be accepted by the relevant Shareholder to whom the Exit Offer Letter is addressed. If you wish to accept the Exit Offer, you should complete, sign and return the relevant Acceptance Form in accordance with the provisions and instructions in the Exit Offer Letter and that Acceptance Form.

**Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptance is conditional upon the Approval of Delisting Resolution Condition being fulfilled.**

**Shareholders should note that if the Delisting Resolution is not passed at the EGM, the Approval of Delisting Resolution Condition will not be fulfilled and the Exit Offer will lapse and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.**

Please refer to paragraph 11 of the Exit Offer Letter and Appendix I to the Exit Offer Letter for detailed procedures for acceptance of the Exit Offer.

**If you decide not to accept the Exit Offer**, you do not have to take any action. In the event that the Approval of Delisting Resolution Condition is fulfilled and the Company is delisted, you will continue to hold unlisted Shares in the Company as an unlisted company. If you hold Shares that are deposited with CDP, a share certificate in respect of your Shares that are deposited with CDP will be sent, by ordinary post and at your own risk, to your address as it appears in the records of CDP, after the Company has been delisted from the Official List of the SGX-ST.

### 14.3 Information pertaining to CPFIS Investors

Information on the Exit Offer pertaining to CPFIS Investors is set out in paragraph 13 of the Exit Offer Letter.

## 15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including the Relevant Directors and any Director who may have delegated detailed supervision of this Circular) jointly and severally accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Delisting, the Company and its subsidiaries (other than those relating to the Offeror, the parties acting in concert with it, the Exit Offer, the recommendation of the Independent Director and **Appendices I and IV** to this Circular) and the Directors have taken all reasonable care to ensure that, to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular (other than those relating to the Offeror, the parties acting in concert with it, the Exit Offer, the recommendation of the Independent Director and **Appendices I and IV** to this Circular) are fair and accurate in all material aspects and the Directors are not aware of any material facts the omission of which would make any statement in this Circular misleading in any material respect.



In respect of the letter from ANZ to the Independent Director (set out in **Appendix I** to this Circular) and the valuation reports prepared in connection with the Exit Offer (set out in **Appendix IV** to this Circular), the responsibility of the Directors has been to ensure that the facts stated therein with respect to the Group are, to the best of their knowledge and belief, fair and accurate in all material respects.

The recommendation of the Independent Director to Shareholders set out in Section 12 of this Letter to the Shareholders is the sole responsibility of the Independent Director.

Where any information in this Circular has been extracted from published or otherwise publicly available sources or obtained from the Offeror or the parties acting in concert with it, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

## **16. CONSENTS**

- 16.1 UOB, being the financial adviser of the Offeror in connection with the Exit Offer, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, and all references thereto in the form and context in which they appear in this Circular.
- 16.2 The independent financial adviser, ANZ, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, its advice to the Independent Director set out in Section 11 of this Letter to the Shareholders, the “Letter from Australia and New Zealand Banking Group Limited, Singapore Branch to the Independent Director” set out in **Appendix I** to this Circular and all references thereto in the form and context in which they appear in this Circular.
- 16.3 The Company’s share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, and all references thereto in the form and context in which they appear in this Circular.
- 16.4 Each of DTZ Debenham Tie Leung (SEA) Pte Ltd, DTZ Nawawi Tie Leung Property Consultants Sdn Bhd., Jones Lang LaSalle Property Consultants Pte Ltd and Colliers International Consultancy and Valuation Pty Limited has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, the copy of the valuation report(s) prepared in connection with the Exit Offer set out in **Appendix IV** to this Circular and all references thereto in the form and context in which they appear in this Circular.

## **17. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection at the registered office of the Company at 101 Thomson Road, #33-00 United Square, Singapore 307591, during normal business hours, from the date of this Circular until the date of the EGM:

- (a) the Memorandum and Articles;
- (b) annual reports of the Company for FY2010, FY2011 and FY2012;
- (c) unaudited consolidated financial statements of the Group for the three (3) months ended 31 March 2013;
- (d) letter from the Offeror to the Company dated 10 May 2013 in respect of the Delisting Proposal;
- (e) Exit Offer Letter from the Offeror to the Company dated 15 July 2013 in respect of the Delisting Proposal;
- (f) letter from ANZ to the Independent Director set out in **Appendix I** to this Circular;

- (g) letters of consent referred to in Section 16 of this Letter to the Shareholders above;
- (h) the Joint Announcement; and
- (i) the valuation reports prepared in connection with the Exit Offer by DTZ Debenham Tie Leung (SEA) Pte Ltd, DTZ Nawawi Tie Leung Property Consultants Sdn Bhd., Jones Lang LaSalle Property Consultants Pte Ltd and Colliers International Consultancy and Valuation Pty Limited.

#### **18. ADDITIONAL INFORMATION**

Your attention is drawn to the Appendices which form part of this Circular.

Yours faithfully  
For and on behalf of the Directors

Amedeo Patrick Imbardelli  
Executive Director, President & CEO  
**PAN PACIFIC HOTELS GROUP LIMITED**

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

**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED, SINGAPORE  
BRANCH**

(Incorporated in Australia)  
Australian Company Number: 005357522

15 July 2013

To: The Independent Director of  
Pan Pacific Hotels Group Limited  
101 Thomson Road  
#33-00 United Square  
Singapore 307591

Dear Sir,

**EXIT OFFER BY UNITED OVERSEAS BANK LIMITED (“UOB”) FOR AND ON BEHALF OF UOL GROUP LIMITED (THE “OFFEROR”) TO ACQUIRE ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF PAN PACIFIC HOTELS GROUP LIMITED (THE “COMPANY”) OTHER THAN THOSE ALREADY HELD DIRECTLY OR INDIRECTLY BY THE OFFEROR AND THE PROPOSED VOLUNTARY DELISTING OF THE COMPANY**

*For the purpose of this letter, capitalised terms not otherwise defined shall have the same meaning given to them in the circular dated 15 July 2013, circulated to the shareholders of the Company (the “Circular”).*

**1. INTRODUCTION**

On 10 May 2013, the Offeror and the Company jointly announced (the “**Joint Announcement Date**”) that the Offeror has presented to the directors of the Company (the “**Directors**”) a formal proposal (the “**Delisting Proposal**”) to seek the voluntary delisting (“**Delisting**”) of the Company from the Official List of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) pursuant to Rules 1307 and 1309 of the SGX-ST listing manual (the “**Listing Manual**”). As at the Joint Announcement Date, the Offeror held approximately 81.57% of the issued ordinary shares in the capital of the Company (the “**Shares**”).

Under the Delisting Proposal, UOB, for and on behalf of the Offeror, will make a cash offer (the “**Exit Offer**”), conditional on the approval of the shareholders of the Company (the “**Shareholders**”) for the Delisting being obtained, to acquire all the Shares of the Company, other than those Shares already held directly or indirectly by the Offeror as at the date of the Exit Offer (the “**Offer Shares**”).

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

This letter sets out, *inter alia*, our opinion as to the fairness of the Exit Offer from a financial point of view to the Shareholders (the “**Letter**”). It will form part of the Circular providing, *inter alia*, the details of the Delisting Proposal, the Exit Offer and the recommendation of the Independent Director in respect thereof.

## 2. TERMS OF REFERENCE

ANZ has been appointed to advise the Independent Director on the financial terms of the Exit Offer in compliance with the rules of the Listing Manual. We make no representations or warranties in relation to the merits of the Exit Offer other than to form an opinion for the purposes of Rule 1309 of the Listing Manual and Rules 7.1 and 24.1(b) of the Code. We have limited our evaluation to the financial terms of the Exit Offer and have not taken into account the commercial risks or commercial merits of the Exit Offer. Our terms of reference do not require us to evaluate or comment on the strategic or long-term commercial merits of the Exit Offer or on the prospects of the Group (i.e. the Company, its subsidiaries and associated companies) or any of its respective related companies (as defined in the Companies Act). Such evaluations or comments remain the responsibility of the Directors and management of the Company. However, we have drawn upon the views of the Directors and management of the Company in arriving at our views. We were also not requested or authorised to solicit any indications of interest from any third party with respect to the Exit Offer (an **"Alternative Offer"**). We are not addressing the relative merits of the Exit Offer as compared to any alternative transaction previously considered by the Company (or the Shareholders), or that otherwise may become available to the Company (or the Shareholders) in the future, or as compared to any Alternative Offer that might otherwise be available.

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

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

We have relied upon valuation reports provided by independent professional valuers, including the valuation reports dated 21 May 2013, 3 June 2013 and 6 June 2013 issued by DTZ Debenham Tie Leung (SEA) Pte Ltd (**"DTZ Debenham"**), the valuation reports dated 21 May 2013 issued by DTZ Nawawi Tie Leung Property Consultants Sdn Bhd (**"DTZ Nawawi"**), the valuation reports dated 31 May 2013 and 6 June 2013 issued by Jones Lang Lasalle (**"JLL"**), and the valuation report dated 3 June 2013 issued by Colliers International (**"Colliers"**) in connection with the Exit Offer (collectively, the **"Valuation Reports"**) and pertaining specifically to the value of the investment properties (**"Investment Properties"**) and hotel properties (**"Hotel Properties"**) owned by the Group, a copy of each of the Valuation Reports is reproduced in Appendix IV to the Circular. With respect to such Valuation Reports, we are not experts in the evaluation or appraisal of the assets concerned and we have placed sole reliance on these Valuation Reports for such asset appraisal and have not made any independent verification of the contents thereof in respect of the assets held by the Group and its subsidiaries nor have we evaluated the solvency of the Group under any applicable laws relating to bankruptcy, insolvency or similar matters. We have not made an independent evaluation or appraisal of the assets and liabilities of the Group and we have not been furnished with any such evaluation or appraisal, except for the Valuation Reports as stated above.

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

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

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

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

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

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

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

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

### 3. THE EXIT OFFER

The following has been extracted from paragraph 3 of the Circular and is set out in italics below. **Shareholders are advised to read the relevant section of the Circular, as extracted below, carefully.**

#### *“3.1 Terms of the Exit Offer*

*As stated in the Exit Offer Letter, the Offeror will make the Exit Offer for the Offer Shares on the following basis:*

***For each Offer Share: S\$2.55 in cash (“Exit Offer Price”).***

*The Exit Offer Price shall be applicable to any number of Offer Shares that are tendered in acceptance of the Exit Offer.*

As stated in the Exit Offer Letter, the Offer Shares will be acquired fully paid and free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever ("**Encumbrances**"), and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive all dividends and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date (other than, for the avoidance of doubt, the first and final dividend declared on 28 February 2013 for FY2012, which was paid on 10 May 2013 ("**FY2012 Dividend**")))).

Further details on the Exit Offer are set out in the Exit Offer Letter containing, inter alia, the terms of the Exit Offer and the relevant Acceptance Forms.

### 3.2 Conditions

As stated in the Exit Offer Letter, the Delisting and Exit Offer are conditional on:

- (a) the Delisting Resolution being approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Directors and Controlling Shareholders are not required to abstain from voting on the Delisting Resolution); and
- (b) the Delisting Resolution not being voted against by 10% or more of the total number of issued Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM,

(collectively, the "**Approval of Delisting Resolution Condition**").

The Exit Offer is **not** conditional upon a minimum number of acceptances being received by the Offeror.

**Under Rule 1307 of the Listing Manual, all Shareholders (including the Offeror and parties acting in concert with the Offeror who hold Shares) are entitled to vote on the Delisting Resolution.**

The Offeror, which owns 489,440,652 Shares as at the Latest Practicable Date, representing approximately 81.57% of the total number of issued Shares, is entitled to and intends to vote all its Shares in favour of the Delisting Resolution at the EGM.

An application was made by the Company to the SGX-ST on 13 June 2013 to delist the Company from the Official List of the SGX-ST. The SGX-ST has in its letter dated 5 July 2013 advised that it has no objection to the Delisting, subject to the compliance of Rules 1307 and 1309 of the Listing Manual. However, this is not to be taken as an indication of the merits of the Delisting.

**Shareholders are to note that if the Approval of Delisting Resolution Condition is not fulfilled, the Delisting will not proceed and the Company will remain listed on the Official List of the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.**

### 3.3 Warranty

As stated in the Exit Offer Letter, acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Shareholder that each Offer Share in respect of which the Exit Offer is accepted and sold by him as, or on behalf of, the beneficial owner(s) thereof, is fully paid and free from all Encumbrances, and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive all



*dividends and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date (other than, for the avoidance of doubt, the FY2012 Dividend)).*

### 3.4 Duration

*As stated in the Exit Offer Letter, the Exit Offer is open for acceptance from the date of despatch of the Exit Offer Letter. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances are conditional and if the Delisting Resolution is not passed at the EGM, the Approval of Delisting Resolution Condition will not be fulfilled and the Exit Offer will lapse, and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.*

*As stated in the Exit Offer Letter, if the Delisting Resolution is approved by the Shareholders at the EGM, the Exit Offer will continue to be open for acceptance by the Shareholders for at least 14 days after the date of the announcement of the satisfaction of the Approval of Delisting Resolution Condition. Accordingly, the Exit Offer will close at **5:30 p.m. on 13 August 2013** or such later date(s) as may be announced from time to time by or on behalf of the Offeror (i.e. the Closing Date)."*

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

Please refer to paragraph 3 of the Exit Offer Letter and Appendix II to the Exit Offer Letter for information and further disclosure on the Offeror as well as other parties acting in concert with the Offeror.

## 5. **INFORMATION ON THE COMPANY AND THE GROUP**

The Company is incorporated in Singapore and listed on the Mainboard of the SGX-ST. The principal activities of the Company are those of a hotelier, property owner and the holding of investments.

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

## 6. **RATIONALE FOR THE DELISTING AND THE OFFEROR'S INTENTION RELATING TO THE COMPANY AND THE GROUP**

The full text of the rationale for the Exit Offer is set out under paragraph 5 of the Exit Offer Letter. The Offeror has stated its intention in relation to the operations and businesses of the Company as well as the employees of the Group in paragraph 5.5 of the Exit Offer Letter.

**The Independent Director should advise Shareholders to review paragraph 5 of the Exit Offer Letter carefully.**

## 7. **FINANCIAL ASSESSMENT OF THE EXIT OFFER**

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

- (a) Historical share price performance of the Shares;
- (b) Share price performance relative to the Straits Times index ("**STI Index**") and an index of broadly comparable listed companies ("**Comparable Companies Index**");
- (c) Net asset value ("**NAV**") and revalued net asset value ("**RNAV**") of the Group relative to the Exit Offer Price;
- (d) Historical trailing net tangible asset ("**NTA**"), NAV and RNAV per Share of the Group relative to the Exit Offer Price and historical market price of the Shares;



- (e) Valuation multiples of selected listed companies which are considered to be broadly comparable to the Company (“Comparable Companies”) in limited aspects;
- (f) Dividend track record of the Company relative to the Comparable Companies;
- (g) Comparison with precedent successful privatisations and delistings of companies listed on the SGX-ST; and
- (h) Other relevant considerations which have a significant bearing on our assessment.

#### (A) Historical Share price performance of the Shares

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



Source: Bloomberg, Company reports, market announcements.

(1)	1 Apr 2011:	The Company announced that its wholly-owned subsidiary, Success City Pty Limited, has completed the acquisition of the Hilton Melbourne Airport Hotel for an aggregate cash consideration of A\$108.9m. Following the completion, the hotel will be rebranded as PARKROYAL Melbourne Airport.
(2)	15 Jul 2011:	<p>The Company announced the following changes to the composition of the Audit Committee of the Company.</p> <ul style="list-style-type: none"> <li>(i) appointment of Mr Low Weng Keong as the Chairman; and</li> <li>(ii) appointment of Mr Wee Ee Lim as a member.</li> </ul>
(3)	11 Aug 2011:	<p>The Company announced its results for the first six months of 2011. The company announced that net profit after tax decreased to S\$17.4m, representing a 38% decrease on the corresponding period. Revenue increased 7% between the same periods to S\$166.6m.</p> <p>The Company announced the following changes to the composition of the Committees of the Board of the Company.</p> <ul style="list-style-type: none"> <li>(i) appointment of Mr Alan Choe Fook Cheong as the Chairman of Remuneration Committee;</li> </ul>

		(ii) appointment of Mr Low Weng Keong as a member of the Remuneration Committee; and
		(iii) appointment of Mr Low Weng Keong as a member of the Nominating Committee.
(4)	29 Aug 2011:	The Company announced a change in the percentage of UOB's interest in the Company from 6.002% to 7.001%. The change in the percentage level was a result of a series of transactions.
(5)	11 Nov 2011:	The Company announced its results for the nine months to 30 September. Net profit after tax decreased 29% to S\$28.6m from the previous corresponding period. Revenue increased 9% to S\$258.0m from the previous period.
(6)	24 Feb 2012:	The Company announced its FY2011 financial results. Revenue increased 10% to S\$358.2m from the FY2010. Net profit after tax increased 44% to S\$79.4m, primarily due to gains on Investment Properties.  The company reported a dividend of S\$0.04 per ordinary share for the FY2011 and a dividend of S\$0.04 per ordinary share for the FY2010.
(7)	11 May 2012:	The Company announced its first quarter results for 2012. Revenue increased 23% to S\$96.6m over the previous corresponding period. Net profit after tax increased 61% from Q1 2011 to S\$17.4m.
(8)	10 Aug 2012:	The Company announced its results for the first six months of 2012. Revenue increased 11% to S\$184.9m from the previous corresponding period and net profit after tax increased 90% to S\$35.4m.
(9)	8 Nov 2012:	The Company announced its results for the first nine months of 2012. Revenue increased 6% to S\$274.4m. Net profit after tax increased 41% to S\$42.1m.
(10)	28 Feb 2013:	The Company announced its FY2012 results. Revenue increased 4% to S\$372.6m over the previous corresponding period and net profit after tax decreased 20% to S\$72.3m. The company announced a S\$0.04 dividend per ordinary share for FY2012. The company also announced a S\$0.04 dividend per ordinary share for FY2011.
(11)	19 Apr 2013:	The Company announced that Alan Choe Fook Cheong would be stepping down as an independent director of the Company.
(12)	10 May 2013:	The Company requested a trading halt with immediate effect pending the release of an announcement; the Company and the Offeror subsequently announced the proposed Delisting.

We set out below (i) the premia implied by the Exit Offer Price to the historical volume weighted average transacted price (“**VWAP**”) of the Shares; and (ii) the historical trading volume of the Shares for the various periods between 10 May 2011 (being 24-months prior to the Joint Announcement Date) and the Latest Practicable Date.

	<b>VWAP (S\$)</b>	<b>Premium / (discount) of Exit Offer Price to VWAP (%)</b>	<b>Highest closing price<sup>(1)</sup> (S\$)</b>	<b>Lowest closing price<sup>(1)</sup> (S\$)</b>	<b>Avg. daily trading volume<sup>(2)</sup> ('000)</b>	<b>Daily trading volume as a % of free float<sup>(3)</sup></b>
<b>Period prior to the Joint Announcement Date</b>						
Last 24-months	2.030	25.62	2.540	1.700	28	0.05%
Last 12-months	2.163	17.89	2.540	1.725	30	0.05%
Last 6-months	2.358	8.14	2.540	2.210	25	0.04%
Last 3-months	2.403	6.12	2.540	2.300	24	0.04%
Last 1-month	2.357	8.19	2.420	2.300	7	0.01%
Last closing price on 9 May 2013 (last trading day prior to the Joint Announcement Date)	2.340	8.97	2.340	2.340	5	0.01%
<b>After the Joint Announcement Date</b>						
First trading day after the Joint Announcement Date up to the Latest Practicable Date	2.531	0.75	2.540	2.530	76	0.12%
Last traded price on the Latest Practicable Date	2.530	0.79	2.530	2.530	9	0.01%

Source: Bloomberg.

- (1) Share prices were rounded to the nearest three (3) decimal places.
- (2) The average daily trading volume of the Shares is calculated based on the total volume of Shares traded during the period divided by the number of market days traded for the Shares during that period.
- (3) Free float refers to the Shares other than those held by the Offeror, Directors and management of the Company and/or its subsidiaries, and UOB. For the purpose of calculating the average daily trading volume as a percentage of free float for the various periods prior to the Joint Announcement Date, we have used the free float of approximately 61,131,348 Shares (or approximately 10.19% of the Company's issued share capital) as at the Joint Announcement Date.

Based on the above, we note the following:

- (i) the Shares have not traded above the Exit Offer Price in the 24-month period leading up to the Joint Announcement Date. Over the same period, trading in the Shares had been very illiquid, with an average daily trading volume of the Shares of approximately 28,000 Shares;
- (ii) the Exit Offer Price of S\$2.55 per share is above the range that the Shares have traded over the 24-month period prior to the Joint Announcement Date. The Exit Offer Price represents a 50.00% premium over the lowest closing price of S\$1.70 during this period and a 0.39% premium over the highest closing price of S\$2.54 during this period;
- (iii) the Exit Offer Price represents a premium of 25.62%, 17.89%, 8.14%, 6.12% and 8.19% over the 24-month, 12-month, 6-month, 3-month and 1-month VWAP of the Shares respectively;
- (iv) the Exit Offer Price represents a premium of 8.97% over the closing price of S\$2.34 of the Shares on the last trading day prior to the Joint Announcement Date (the “**Last Trading Day**”);
- (v) from the first trading day after the Joint Announcement Date up to the Latest Practicable date, the Shares have an average daily trading volume of approximately 76,000 Shares;

- (vi) from the first trading day after the Joint Announcement Date, the Shares have traded close to the Exit Offer Price level, with a highest closing price of S\$2.54, but have neither traded at the same level nor higher than the Exit Offer Price;
- (vii) the Exit Offer Price represents a 0.75% premium over the VWAP of the Shares for the period from the first trading day after the Joint Announcement Date up to the Latest Practicable Date; and
- (viii) the Shares closed at S\$2.53 on the Latest Practicable Date. The Exit Offer Price represents a premium of approximately 0.79% to the last closing price of the Shares as at the Latest Practicable Date.

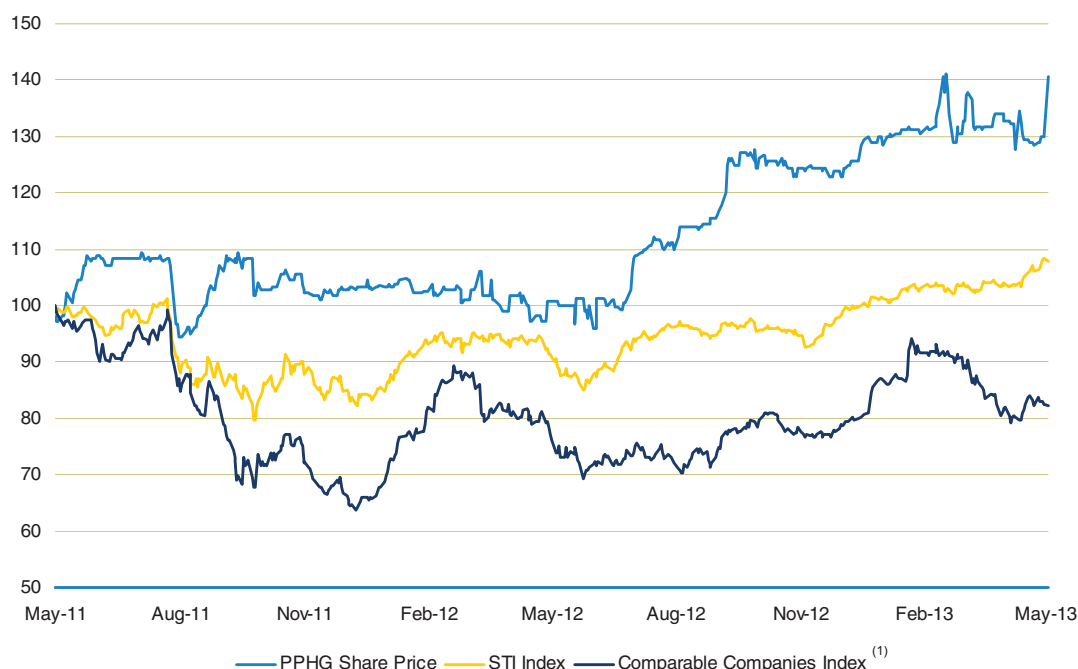
**In view of the low trading liquidity of the Shares, the Exit Offer provides an opportunity for Shareholders to cash out at a premium to market prices without incurring trading commission and other costs.**

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

**We note that there is no assurance that the Share price will remain at current levels if the Delisting Resolution is not approved.**

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

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



Source: Bloomberg, CapitalIQ.

Note: Share prices have been rebased to 100 as of 10 May 2011.

(1) The Comparable Companies Index is comprised of the share prices of Hotel Properties Limited, GuocoLeisure Limited, Hotel Grand Central Limited, Banyan Tree Holdings Limited, Amara Holdings Limited and Shangri-La Asia Limited. The Comparable Companies Index is weighted based on the respective Comparable Companies' market capitalisations.

Based on the above chart, it appears that the market price of the Shares had outperformed the STI Index and the Comparable Companies Index for the 2-year period preceding the Joint Announcement Date.

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

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

**(C) NAV and RNAV of the Group relative to the Exit Offer Price**

**(i) Book NAV / NTA of the Group as at 31 March 2013 relative to the Exit Offer Price**

Based on the latest announced unaudited consolidated financial statements of the Company as at 31 March 2013, the NAV and NTA of the Group were approximately S\$1.57 per Share and S\$1.54 per Share, respectively.

The Exit Offer Price of S\$2.55 represents a premium of approximately 62.4% and 65.6% to the NAV per Share and NTA per Share respectively.

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

**(ii) RNAV of the Group as at 31 March 2013 relative to the Exit Offer Price**

Valuations of the Group's Hotel Properties and Investment Properties were previously carried out by independent professional valuers for the purpose of the Group's audited financial statements as at 31 December 2012. In connection with the Exit Offer, the Company has commissioned independent professional valuers to conduct a revised independent valuation of the Investment Properties and Hotel Properties on an as-is basis assuming the hypothetical sale of these assets as at 31 March 2013. We set out below a summary of the carrying values and market values as at 31 March 2013 of the Investment Properties (carried at fair value) and Hotel Properties (carried at cost or net book value, which is calculated as valuation less accumulated depreciation and accumulated impairment losses) owned by the Group:

	Location	Description	Carrying value as at 31 Mar 2013 (Unaudited) (S\$'000)	Market value as at 31 Mar 2013 (Unaudited) (S\$'000)
<b><i>Investment Properties</i></b>				
The Plaza (retained interests) <sup>(1)</sup>	Singapore	Shops, offices, 91-unit serviced suites and car park	130,310	130,560
Pan Pacific Serviced Suites Beach Road <sup>(1)</sup>	Singapore	180-unit serviced suites	117,139	117,204 <sup>(2)</sup>
One Upper Pickering <sup>(3)</sup>	Singapore	13-storey office building	175,800	175,800

	Location	Description	Carrying value as at 31 Mar 2013 (Unaudited) (S\$'000)	Market value as at 31 Mar 2013 (Unaudited) (S\$'000)
<b>Hotel Properties</b>				
PARKROYAL on Beach Road <sup>(4)</sup>	Singapore	7-storey hotel building with 343 rooms	47,742	165,700
PARKROYAL on Kitchener Road <sup>(4)</sup>	Singapore	5-storey podium and a 16-storey tower with 534 rooms	80,717	295,100
PARKROYAL on Pickering <sup>(4)</sup>	Singapore	16-storey hotel building with 367 rooms	302,381	304,000
Chinatown Point #24-09/10 <sup>(5)</sup>	Singapore	Back office for PARKROYAL on Pickering	2,587	4,600
The Plaza (serviced suite lobby) <sup>(6)</sup>	Singapore	Lobby	222	550
PARKROYAL Darling Harbour <sup>(4)(7)</sup>	Australia	13-level hotel with 340 rooms	60,410	118,336
PARKROYAL Parramatta <sup>(4)(7)</sup>	Australia	13-level hotel with 196 rooms	25,377	43,563
PARKROYAL Melbourne Airport <sup>(7)(8)</sup>	Australia	6-level hotel with 276 rooms	121,324	122,238
Pan Pacific Perth <sup>(4)(7)</sup>	Australia	486-room hotel in a 23-storey hotel tower with a 4-level extension wing	70,143	204,163
PARKROYAL Saigon <sup>(4)(9)</sup>	Vietnam	10-storey hotel building with 186 rooms and a 4-storey annex office building	16,291	27,796
Hotel Sofitel Plaza Hanoi <sup>(4)(9)</sup>	Vietnam	20-storey hotel with 309 rooms and 36 serviced apartments	19,425	79,045
PARKROYAL Yangon <sup>(4)(9)</sup>	Myanmar	8-storey tower with 331 rooms	7,300	42,191
Pan Pacific Suzhou <sup>(4)(10)</sup>	P.R.C	481-room hotel	56,946	61,897
PARKROYAL Penang <sup>(11)(12)</sup>	Malaysia	8-storey beachfront resort hotel with 309 rooms	25,270	63,967
PARKROYAL Kuala Lumpur and President House <sup>(11)(12)</sup>	Malaysia	23-storey tower with 426 rooms and a 6-storey podium and an 8-storey annex car park building	53,044	104,594
<b>Total</b>			<b>1,312,428</b>	<b>2,061,304</b>

Source: Valuation Reports, Company annual reports, quarterly reports.

- (1) Based on Valuation Report issued by DTZ Debenham as at 21 May 2013.
- (2) Based on Valuation Report issued by DTZ Debenham on 21 May 2013, the market value was S\$127m and this has been adjusted to include S\$9.8m costs to complete.
- (3) Based on Valuation Report issued by JLL as at 31 May 2013.

- (4) Based on Valuation Report issued by JLL as at 6 June 2013.
- (5) Based on Valuation Report issued by DTZ Debenham as at 6 June 2013.
- (6) Based on Valuation Report issued by DTZ Debenham as at 3 June 2013.
- (7) Based on the closing exchange rates of A\$0.769 to S\$1.00 as at 31 March 2013.
- (8) Based on Valuation Report issued by Colliers as at 3 June 2013.
- (9) Based on the closing exchange rates of US\$0.806 to S\$1.00 as at 31 March 2013.
- (10) Based on the closing exchange rates of RMB5.003 to S\$1.00 as at 31 March 2013.
- (11) Based on Valuation Report issued by DTZ Nawawi as at 21 May 2013.
- (12) Based on the closing exchange rates of MYR\$2.493 to S\$1.00 as at 31 March 2013.

Based on the Group's unaudited financial statements as at 31 March 2013, the carrying value of the Company's Investment Properties and Hotel Properties was S\$1,312.4 million, and based on the Valuation Reports as made available in Appendix IV to the Circular, the revised open market value for the Investment Properties and Hotel Properties was S\$2,061.3 million as at 31 March 2013.

The table below sets out the computation of the RNAV of the Group and the premium and/or discount of the Exit Offer Price to the RNAV per Share based on the revised market value of the Investment Properties and Hotel Properties.

	Value
NAV of the Group as at 31 March 2013 (S\$m) <sup>(1)</sup>	940.7
<i>Add: Net revaluation surplus arising from the revised market value of the Investment Properties and Hotel Properties (S\$m) <sup>(2)</sup></i>	668.8
RNAV of the Group as at 31 March 2013 (S\$m)	1,609.5
RNAV per Share as at 31 March 2013 (S\$) <sup>(3)(4)</sup>	2.68
Premium / (Discount) of Exit Offer Price to RNAV per Share (%)	(4.9%)

Source: Company annual reports, quarterly reports, Valuation Reports.

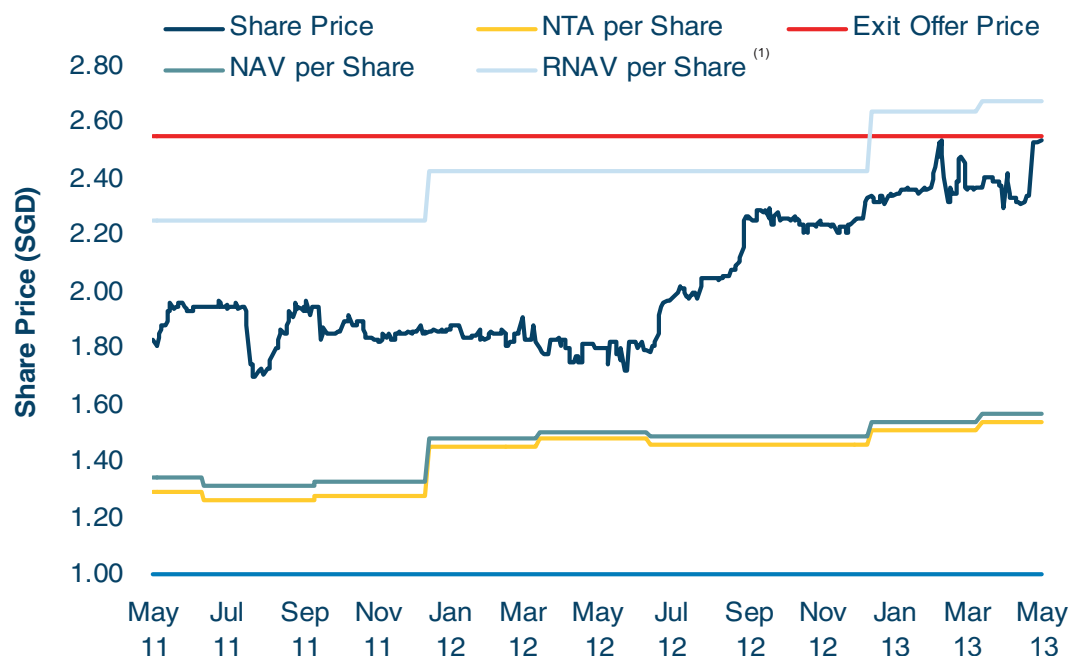
- (1) Unaudited results as of 31 March 2013.
- (2) Net revaluation surplus is net of potential deferred tax liabilities of S\$71.6m and minority interests of S\$8.5m as at 31 March 2013.
- (3) Calculated based on the Company's issued share capital of 600,000,000 Shares as of the Latest Practicable Date.
- (4) The Company paid a first and final dividend of S\$0.04 per ordinary Share for the financial year ended 31 December 2012 on 10 May 2013.

**Shareholders should note that the computation above is solely for illustration purposes as the RNAV of the Group is not necessarily a realisable value given that the market value of the Hotel Properties and Investment Properties may vary depending on, amongst others, the prevailing market and economic conditions. As the Group has not fully realised the revaluation surpluses on such assets as at the Latest Practicable Date, Shareholders should note that there is no assurance that the revaluation surpluses or gains eventually recorded by the Group on the Hotel Properties and Investment Properties, if any, will be the same as indicated above or as that appraised in the Valuation Reports.**



**(D) Historical trailing NTA, NAV and RNAV per Share of the Group relative to the Exit Offer Price and historical market price of the Shares**

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



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

(1) With the exception of the quarter ended 31 March 2013, the Company calculates RNAV per Share on an annual basis.

Based on the above, we note that:

- (i) the Company's share price has consistently traded at a premium to the trailing NTA and NAV per Share over a 2-year period up to the Joint Announcement Date;
- (ii) the Company's share price has consistently traded at a discount to the trailing RNAV per Share over a 2-year period up to the Joint Announcement Date;
- (iii) the Exit Offer Price is at a significant premium relative to the Group's NAV per Share and NTA per Share over the 2-year period prior to the Joint Announcement Date; and
- (iv) the Exit Offer Price is at a premium relative to the Group's RNAV per Share for the 2-year period prior to the Joint Announcement Date, with the exception of the period beginning 1 January 2013 up till the Latest Practicable Date.

## (E) Valuation Multiples of Comparable Companies

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

Company	Company Description	Market Cap <sup>(1)</sup> (S\$m)
<b>Singapore-Listed</b>		
Hotel Properties Limited ("HPL")	HPL, through its subsidiaries, operates and manages hotels. HPL also operates restaurants, and retails and distributes food and fashion merchandise. In addition HPL trades shares, develops and invests in properties, hotels and resorts.	1,624.5
GuocoLeisure Limited ("GuocoLeisure")	GuocoLeisure is an investment holding company. GuocoLeisure holds investments in the areas of hotels and resorts, and other portfolio investments. GuocoLeisure also invests in properties for residential and tourism purposes.	1,029.7
Hotel Grand Central Limited ("HGC")	HGC owns, operates and manages hotels. HGC also collects rent, develops properties, and provides marketing and support services.	598.1
Banyan Tree Holdings Limited ("Banyan Tree")	Banyan Tree owns and manages hotels. Banyan Tree also operates spas, galleries and golf courses, and invests in properties. Banyan Tree offers design and project management services as well.	524.5
Amara Holdings Limited ("Amara")	Amara operates hotels and restaurants, provides food and beverage catering services as well as develops and invests in properties. Amara owns and operates Amara Hotel.	337.5
<b>Hong Kong-Listed</b>		
Shangri-La Asia Limited ("Shangri-La")	Shangri-La engages in the ownership and operation of hotels and associate properties under the Shangri-La, Traders, Rasa, Summer Palace, Kerry and Shang Palace brand names.	6,927.4 <sup>(2)</sup>
The Company	The principal activities of the Company are those of a hotelier, property owner and the holding of investments.	1,530.0

Source: Bloomberg, company annual reports, quarterly reports.

- (1) Market capitalisation calculated based on the closing price as at Latest Practicable Date and diluted shares outstanding (treasury method); market capitalisation for the Company based on Exit Offer Price.
- (2) Based on the closing exchange rates of HK\$7.7546 to S\$1.00 and US\$0.780 to S\$1.00 as at the Latest Practicable Date.

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

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

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

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

Comparable Companies	Market Cap <sup>(1)</sup> (S\$m)	EV/EBITDA <sup>(2)(3)</sup> (times)	P/E <sup>(2)</sup> (times)	P/NTA <sup>(4)</sup> (times)
Shangri-La	6,927.4	16.0	15.0	0.9
HPL	1,624.5	12.1	11.5	1.0
GuocoLesiure	1,029.7	9.3	15.7	0.9
HGC	598.1	12.7	20.1	0.7
Banyan Tree	524.5	13.4	n.m. <sup>(5)</sup>	0.9
Amara Holdings	337.5	15.7	10.4	1.2
High		16.0	20.1	1.2
Low		9.3	10.4	0.7
Mean		13.2	14.5	0.9
Median		13.0	15.0	0.9
The Company (based on Exit Offer Price) <sup>(6)</sup>	1,530.0	15.5	17.6	1.7

Source: Bloomberg, company annual reports, quarterly reports.

- (1) Market capitalisation calculated based on the closing price as at Latest Practicable Date and diluted shares outstanding (treasury method).

- (2) Based on earnings and EBITDA over the last twelve months. Earnings and EBITDA figures have been normalised to exclude non-recurring items.
- (3) The EV of the respective Comparable Companies were based on (i) their market capitalisation as at the Latest Practicable Date; (ii) their preferred equity, minority interests and net debt (if any) as set out in their respective latest available financial statements as at the Latest Practicable Date.
- (4) Based on the book NTA per share obtained from the most recent announced financial statements of the Comparable Companies.
- (5) "n.m." denotes not meaningful.
- (6) Based on the Exit Offer Price and shares outstanding as at the Latest Practicable Date.

The valuation multiples of the Comparable Companies above do not incorporate the premium typically required to acquire control as they reflect the trades of non-controlling stakes.

Based on the above, we note that:

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

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

**(F) Dividend track record of the Company relative to the Comparable Companies**

Set below is a summary of the dividend per Share declared for the last three financial years by the Company.

Company	FY2010	FY2011	FY2012
Ordinary Dividend per Share (S\$)	0.04	0.04	0.04
Share Price as at the last cum-dividend date (S\$)	1.83	1.77	2.32
Dividend Yield (%) <sup>(1)</sup>	2.2%	2.3%	1.7%

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

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

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

Company	Dividend Yield <sup>(1)</sup> (%)
Shangri-La	1.4%
HPL <sup>(2)</sup>	1.1%
GuocoLesiure	3.3%
HGC	4.7%
Banyan Tree	1.0%
Amara Holdings	1.0%
<b>High</b>	<b>4.7%</b>
<b>Low</b>	<b>1.0%</b>
<b>Mean</b>	<b>2.1%</b>
<b>Median</b>	<b>1.3%</b>

Source: Company annual reports, quarterly reports

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

(2) Dividend yield excludes a special dividend of S\$0.035 per share paid by HPL for the last financial year.

Based on the above, we note that the ordinary dividend yield of the Company of 1.7% for FY2012 is within the range of the ordinary dividend yields of the Comparable Companies which declared dividends for their most recent reported financial year and below the mean but higher than the median dividend yields.

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

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

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

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

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

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

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

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

**(i) Successful Delisting Offers**

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

Company	Announced date	Premium / (Discount) of Offer Price over / (to)				P/NTA (times)
		Last transacted price	1-month VWAP	3-month VWAP	6-month VWAP	
Zhongguo Pengjie Fabrics Limited	10-May-10	58.6%	58.0%	51.9%	50.9%	0.7
Avaplas Ltd <sup>(1)</sup>	23-Jun-10	122.2%	121.1%	109.5%	101.2%	1.1
Eastern Asia Technology Ltd	04-Aug-10	31.4%	39.0%	38.1%	23.4%	0.6
MCL Land Ltd	26-Aug-10	25.6%	27.3%	31.4%	24.5%	0.9
Soilbuild Group Holdings	21-Sep-10	13.5%	15.6%	18.5%	12.5%	1.3
IDT Holdings (Singapore) Limited	05-Oct-10	14.9%	17.4%	20.0%	22.7%	0.9
China Angel Food	15-Nov-10	13.3%	21.3%	30.6%	47.2%	0.9
Reyoung Pharmaceutical	30-Nov-10	23.3%	20.5%	25.9%	30.9%	1.6
MAP Technology Holdings Limited	03-Dec-10	30.0%	33.4%	18.1%	19.6%	1.6
Financial One Corp	22-Dec-10	15.5%	18.9%	19.9%	18.3%	0.7
Time Watch Investments	19-Jan-11	14.9%	28.0%	35.7%	39.2%	1.3
EDMI Ltd	28-Mar-11	14.1%	23.9%	22.8%	19.3%	1.5

Company	Announced date	Premium / (Discount) of Offer Price over / (to)				P/NTA (times)
		Last transacted price	1-month VWAP	3-month VWAP	6-month VWAP	
CMZ Holdings Ltd	03-Aug-11	24.2%	32.9%	26.7%	28.4%	1.2
Centraland Limited <sup>(2)</sup>	12-Aug-11	11.1%	n.a.	11.1%	9.0%	1.2
Pacific Shipping Trust	04-Oct-11	14.7%	18.8%	21.5%	21.1%	1.0
Wanxiang International	11-Oct-11	43.9%	61.3%	56.3%	48.1%	1.4
CHT Holdings Ltd	31-Oct-11	100.0%	57.2%	63.0%	50.8%	0.5
Leeden Ltd <sup>(3)</sup>	08-Nov-11	35.7%	37.4%	28.3%	28.2%	1.4
Cerebos Pacific Ltd	01-Aug-12	22.7%	22.9%	22.9%	31.2%	5.6
Gul Technologies Singapore <sup>(4)</sup>	23-Sep-12	38.5%	57.3%	72.3%	76.1%	1.8
Hup Soon Global Corp	08-Feb-13	0.0%	(3.0%)	1.0%	(3.8%)	0.5
<b>High<sup>(5)</sup></b>		<b>58.6%</b>	<b>61.3%</b>	<b>72.3%</b>	<b>76.1%</b>	<b>5.6</b>
<b>Low<sup>(5)</sup></b>		<b>0.0%</b>	<b>(3.0%)</b>	<b>1.0%</b>	<b>(3.8%)</b>	<b>0.5</b>
<b>Mean<sup>(5)</sup></b>		<b>23.5%</b>	<b>29.5%</b>	<b>29.1%</b>	<b>28.8%</b>	<b>1.3</b>
<b>Median<sup>(5)</sup></b>		<b>22.7%</b>	<b>25.6%</b>	<b>25.9%</b>	<b>24.5%</b>	<b>1.2</b>
<b>The Company<sup>(6)</sup></b>	<b>10-May-13</b>	<b>9.0%</b>	<b>8.2%</b>	<b>6.1%</b>	<b>8.1%</b>	<b>1.7</b>

Source: Bloomberg, offer documents, circulars.

- (1) On 12 March 2010, Cal-Comp Electronics (Thailand) Public Company Limited announced a mandatory unconditional cash offer for Avaplas Ltd at S\$0.10 per share and subsequently on 23 June 2010, a delisting exit offer was announced. The market premia in the table above, as extracted from the relevant circular, were computed based on prices prior to the mandatory unconditional cash offer announcement on 12 March 2010.
- (2) The market premia over the VWAP for the 1-month period prior to the announcement for Centraland Limited was not available as there had been no trading in the shares during this period.
- (3) On 20 October 2011, Leeden Limited ("Leeden") received a query from the SGX-ST in relation to the substantial increase in its share price and on the same date, Leeden announced that it had been notified by certain of its substantial shareholders that they had been approached and were in discussions with an investor in relation to a possible acquisition of shares in the capital of Leeden. On 8 November 2011, a delisting exit offer was made for Leeden. The market premia in the table above, as extracted from the relevant circular, were computed based on prices prior to the holding announcement on 20 October 2011.
- (4) On 13 September 2012, Gul Technologies Singapore Ltd ("Gul Technologies") announced that it is aware that a party is exploring certain corporate action that may or may not lead to an offer for Gul Technologies. On 23 September 2012, a delisting exit offer was made for Gul Technologies. The market premia in the table above, as extracted from the relevant circular, were computed based on prices prior to the holding announcement on 13 September 2012.
- (5) In calculating the high, low, mean and median market premia of the Successful Delisting Offers, we have excluded Avaplas Ltd and CHT (Holdings) Ltd. as outliers.
- (6) The market premia implied by the Exit Offer Price set out in the table above were computed based on prices prior to the Joint Announcement Date.

We note that the market price premia implied by the Exit Offer Price is within the range of the premia of the Successful Delisting Offers and below the corresponding mean and median premia.

The P/NTA implied by the Exit Offer Price is within the range of the premia and higher than the corresponding mean and median premia of the Successful Delisting Offers respectively. The P/NTA implied by the Exit Offer Price is also higher than the P/NTA multiple for all the Successful Delisting Offers, except in the cases of the Cerebos Pacific and Gul Technologies transactions.



## (ii) Successful Privatisation Transactions

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

Company	Announced date	Premium / (Discount) of Offer Price over / (to)				P/NTA (times)
		Last transacted price	1-month VWAP	3-month VWAP	6-month VWAP	
Parkway Holdings <sup>(1)</sup>	27-May-10	30.8%	20.4%	23.1%	29.1%	3.7
Eng Kong Holdings Ltd	02-Jun-10	37.2%	20.9%	19.1%	22.6%	1.4
RSH Ltd <sup>(2)</sup>	23-Jul-10	41.7%	n.a.	n.a.	32.8%	1.9
Pine AgriTech Ltd	16-Aug-10	11.1%	7.1%	18.6%	50.4%	1.9
Thomson Medical Centre Ltd	29-Oct-10	62.0%	71.7%	90.2%	106.4%	3.6
Kim Eng Holdings Ltd <sup>(3)</sup>	06-Jan-11	14.8%	28.1%	33.0%	42.2%	1.8
Sinomem Technology	05-Mar-11	28.4%	33.9%	34.5%	36.6%	1.3
Passion Holdings Ltd	09-Mar-11	23.8%	28.1%	27.4%	30.0%	1.1
Qualitas Medical Group <sup>(4)</sup>	15-Mar-11	25.0%	25.3%	49.1%	70.5%	1.8
JK Yaming International Holdings Ltd	04-May-11	4.8%	4.7%	7.5%	10.7%	1.5
Allgreen Properties Ltd	23-May-11	39.1%	40.6%	45.3%	42.6%	1.0
Hsu Fu Chi International	11-Jul-11	8.7%	10.0%	15.7%	24.7%	6.8
Portek International <sup>(5)</sup>	13-Jul-11	97.2%	96.9%	122.9%	136.1%	3.0
C&O Pharmaceutical Technology Holdings <sup>(6)</sup>	01-Aug-11	11.1%	16.8%	20.2%	22.6%	3.3
Asia Environment Holdings Ltd	23-Aug-11	33.3%	24.0%	21.0%	24.0%	1.0
Beyonics Technology	05-Oct-11	38.3%	45.3%	28.7%	31.3%	0.5
Heng Long International <sup>(7)</sup>	07-Oct-11	7.1%	6.8%	17.4%	29.9%	1.9
Unidux Electronics	28-Oct-11	104.3%	169.8%	98.6%	50.5%	1.0
SMB United Ltd <sup>(8)</sup>	28-Dec-11	33.3%	45.5%	50.9%	52.7%	1.4
China Healthcare Ltd	05-Mar-12	16.7%	16.7%	21.7%	25.0%	2.2
Meiban Group	15-Mar-12	42.9%	41.8%	37.0%	38.4%	0.9
Adampak Ltd	02-Apr-12	21.7%	33.8%	38.2%	50.5%	2.0
Juken Technology <sup>(9)</sup>	16-May-12	28.6%	26.8%	24.1%	17.7%	1.0
Brothers Holdings Ltd	30-May-12	44.4%	43.7%	39.0%	44.4%	1.1
Asia Pacific Breweries <sup>(10)</sup>	20-Jul-12	52.8%	53.6%	55.2%	64.4%	n.a.
Hersing Corp Ltd	08-Aug-12	21.1%	21.3%	18.5%	12.4%	1.3
Sakari Resources Ltd	27-Aug-12	27.5%	33.8%	38.7%	22.6%	n.a.
Luye Pharma Group <sup>(11)</sup>	28-Aug-12	16.1%	20.4%	20.4%	36.8%	3.9
Kian Ann Engineering <sup>(12)</sup>	15-Oct-12	46.7%	60.0%	67.9%	78.1%	1.2
Harry's Holdings Ltd	10-Nov-12	53.3%	57.1%	72.2%	84.5%	1.5
China Farm Equipment	03-Dec-12	7.7%	2.8%	4.2%	7.9%	1.1
SC Global Developments	05-Dec-12	49.4%	57.2%	58.0%	62.9%	1.2
Kinergy Ltd	14-Dec-12	38.9%	37.4%	34.4%	44.5%	0.7
Rokko Holdings Ltd	17-Dec-12	57.1%	54.9%	50.7%	44.7%	0.6
<b>High<sup>(13)(14)</sup></b>		<b>62.0%</b>	<b>71.7%</b>	<b>90.2%</b>	<b>106.4%</b>	<b>3.9</b>
<b>Low<sup>(13)(14)</sup></b>		<b>4.8%</b>	<b>2.8%</b>	<b>4.2%</b>	<b>7.9%</b>	<b>0.5</b>
<b>Mean<sup>(13)(14)</sup></b>		<b>30.5%</b>	<b>31.9%</b>	<b>34.9%</b>	<b>40.4%</b>	<b>1.7</b>
<b>Median<sup>(13)(14)</sup></b>		<b>29.7%</b>	<b>28.1%</b>	<b>33.0%</b>	<b>36.7%</b>	<b>1.4</b>
<b>The Company<sup>(15)</sup></b>	<b>10-May-13</b>	<b>9.0%</b>	<b>8.2%</b>	<b>6.1%</b>	<b>8.1%</b>	<b>1.7</b>

Source: Bloomberg, offer documents, circulars.

- (1) On 27 May 2010, Integrated Healthcare Holdings Limited ("IHH") announced a voluntary conditional cash partial offer for Parkway Holdings Limited ("Parkway") at an offer price of S\$3.78 for each share. On 1 July 2010, RHC Healthcare announced a voluntary conditional cash offer for Parkway at an offer price of S\$3.80 for each share ("RHC Offer"). On 26 July 2010, IHH revised its partial offer to a voluntary conditional cash general offer for Parkway at an offer price of S\$3.95 for each share ("IHH Offer") and the RHC Offer was withdrawn. The computations in the table above were computed based on the final offer price of S\$3.95 for each share and market prices prior to the announcement of IHH's partial offer on 27 May 2010.
- (2) The market premia over the VWAP for the 1-month and 3-month period prior to the announcement for RSH Limited were not available as there had been no trading in the shares during these periods. The shares were last traded on 23 March 2010, being 4 months prior to the date of announcement.
- (3) On 17 December 2010, Kim Eng Holdings Limited ("Kim Eng") received a query from the SGX-ST in relation to the substantial increase in its share price and on the same date, Kim Eng announced that it had received approaches from potential interested parties in relation to a possible acquisition of shares in the capital of Kim Eng. On 6 January 2011, ASEAM Credit Sdn Bhd announced a possible mandatory conditional cash offer and a mandatory unconditional cash offer was announced on 5 May 2011 for Kim Eng. The market premia in the table above were computed based on prices prior to the holding announcement on 17 December 2010.
- (4) P/NTA calculated based on the adjusted NAV per share as adjusted for the issue of shares in Qualitas for the second tranche payment pertaining to the acquisition of equity interest in the capital of Dr Marcus Cooney & Associates Pte Ltd.
- (5) On 1 June 2011, a voluntary conditional cash offer was made by ICTSI Far East Pte. Ltd. for Portek International Limited ("Portek") at S\$1.20 for each share ("ICTSI Offer"). On 13 July 2011, Mitsui & Co., Ltd. made a voluntary conditional cash offer for Portek at S\$1.40 for each share ("Mitsui Offer Price"). On 1 August 2011, the ICTSI Offer was withdrawn. The computations in the table above were computed based on the Mitsui Offer Price and market prices prior to the announcement for the ICTSI Offer on 1 June 2011.
- (6) Shionogi & Co., Ltd. announced a possible mandatory unconditional cash offer on 1 August 2011 and a mandatory unconditional cash offer on 17 August 2011 for C&O Pharmaceutical Technology (Holdings) Limited. The market premia in the table above were computed based on prices prior to the possible mandatory unconditional cash offer announcement on 1 August 2011.
- (7) On 6 May 2011, Heng Long International Ltd. ("Heng Long") announced that it had been notified that its substantial shareholders had been approached with a non-binding expression of interest in a possible transaction involving the shares or business of Heng Long which may or may not lead to an offer being made for Heng Long or its business. On 7 October 2011, HLI Holding Pte. Ltd. announced a voluntary conditional cash offer for Heng Long. The market premia in the table above were computed based on prices prior to the holding announcement on 6 May 2011.
- (8) On 31 October 2011, a voluntary conditional cash offer was made by Profit Sea Holdings Limited for SMB United Limited ("SMB") at S\$0.32 for each share ("Profit Sea Offer"). On 19 December 2011, SMB announced that it had received an expression of interest from a third party in connection with a potential acquisition of all ordinary shares in the share capital of SMB. On 28 December 2011, Osaki Electric Co., Ltd. made a voluntary conditional cash offer for SMB at S\$0.40 for each share ("Osaki Offer Price"). On 17 January 2012, the Profit Sea Offer was withdrawn. The computations in the table above were computed based on the Osaki Offer Price and market prices prior to the announcement for the Profit Sea Offer on 31 October 2011.
- (9) On 14 September 2011, Juken Technology Limited ("Juken") and Frencken Group Limited ("Frencken") jointly announced that they had entered into an indicative term sheet relating to the proposed acquisition by Frencken of all issued and paid up ordinary shares (excluding treasury shares) in the capital of Juken by way of scheme of arrangement. Frencken announced a pre-conditional voluntary conditional offer on 16 May 2012 and a voluntary conditional offer on 23 August 2012 for Juken ("Juken Offer"). The market premia in the table above were computed based on prices prior to the joint announcement by Juken and Frencken on 14 September 2011 and the cash consideration offered under the Juken Offer.
- (10) On 16 July 2012, OCBC and Great Eastern Holdings Limited ("GEH") jointly announced that they had been approached with an offer to purchase, inter alia, their combined stakes in Asia Pacific Breweries Limited and they were having discussions on this. Heineken International B.V. announced a pre-conditional mandatory cash offer on 18 August 2012 and a mandatory unconditional cash offer on 15 November 2012 for APB. The market premia in the table above were computed based on prices prior to the joint announcement by OCBC Bank and GEH on 16 July 2012.
- (11) On 28 August 2012, a voluntary unconditional cash offer ("Luye Offer") was made by Luye Pharmaceutical Investment Co., Ltd. ("Luye Investment") for Luye Pharma Group Ltd. ("Luye Pharma"). The market premia in the table above were computed based on prices prior to 30 July 2012, being the last full Market Day on which the shares in Luye Pharma were traded on the SGX-ST prior to the date of announcement of the Luye Offer.
- (12) On 17 August 2012, Kian Ann Engineering Ltd ("Kian Ann") announced that it had been approached by a party in relation to a possible transaction involving the shares of Kian Ann. On 15 October 2012, Kian Ann and Invicta Asian Holdings Pte. Ltd. ("Invicta") jointly announced the proposed acquisition by Invicta of all the issued and paidup ordinary shares in the capital of Kian Ann by way of a scheme of arrangement in accordance with Section 210 of the Act (the "Kian Ann Scheme"). The market premia in the table above were computed based on prices prior to the holding announcement on 17 August 2012.

- (13) In calculating the high, low, mean and median market premia of the Successful Privatisation Transactions, we have excluded Portek International Limited and Unidux Electronics Limited as outliers.
- (14) In calculating the high, low, mean and median P/NTA ratio of the Successful Privatisation Transactions, we have excluded Hsu Fu Chi International Limited as an outlier.
- (15) The market premia implied by the Exit Offer Price set out in the table above were computed based on prices prior to the Joint Announcement Date.

We note that the market price premia implied by the Exit Offer Price is within the range of the premia of Successful Privatisation Transactions and is below the corresponding mean and median premia.

However, the P/NTA implied by the Exit Offer Price is within the range of the premia and equal to the mean but higher than the median premia of the Successful Privatisation Transactions.

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

**(i) Conditions of the Exit Offer**

The Delisting and the Exit Offer are conditional on:

- (a) the Delisting Resolution being approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Directors and Controlling Shareholders are not required to abstain from voting on the Delisting Resolution); and
- (b) the Delisting Resolution not being voted against by 10% or more of the total number of issued Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM.

The Exit Offer is not conditional upon a minimum number of acceptances being received by the Offeror.

The Offeror, which owns 489,440,652 Shares as at the Latest Practicable Date, representing approximately 81.57% of the total number of issued Shares, is entitled to and has indicated that it intends to vote all its Shares in favour of the Delisting Resolution at the EGM.

**We wish to highlight that as at the Latest Practicable Date, there is no assurance that the Delisting Resolution will be approved. Nevertheless, in view of the voting intentions of the Offeror, unless the Delisting Resolution is voted against by 10% or more of the total number of Shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM, the Delisting Resolution will likely be approved at the EGM.**

**(ii) Implications of Delisting for Shareholders**

As mentioned above, a total of not less than 81.57% of all the Shares of the Company will vote in favour of the Delisting Resolution. Accordingly, unless the Delisting Resolution is voted against by 10% or more of the total number of Shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM, the Delisting Resolution is likely to be passed at the EGM.

Shareholders should note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of marketability. **Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit. If the Company is delisted, even if such Shareholders were able to sell their Shares, they may receive a lower price as compared to the Exit Offer Price.** Further, any transfer or sale of Shares represented by share certificates will be subject to a stamp duty.

As an unlisted company, the Company will no longer be obliged to comply with the listing requirements of the SGX-ST, in particular the continuing corporate disclosure requirements under Chapter 7 and Appendices 7.1, 7.2, 7.4.1 and 7.4.2 of the Listing Manual. Nonetheless, as a company incorporated in Singapore, the Company will still need to comply with the Companies Act and its Memorandum and Articles, and the interests of Shareholders who do not accept the Exit Offer will be protected to the extent provided for by the Companies Act.

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

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

**(iii) Control of the Company**

As mentioned above, the Offeror already controls approximately 81.57% of all the Shares of the Company, regardless of whether the Delisting Resolution will be approved or rejected. This entitles the Offeror to determine, amongst other things, the financial and operating policies, management and strategy of the Company. **In this regard, there is no assurance that the Company will continue to maintain the level of dividends paid in past periods, regardless of whether the Company will remain listed or be delisted.**

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

**(iv) Compulsory acquisition**

As stated in the Exit Offer Letter, pursuant to Section 215(1) of the Companies Act, in the event that the Offeror acquires 90% or more of the Shares (other than those already held by the Offeror, its related corporations and their respective nominees as at the date of the Exit Offer and excluding any Shares held by the Company as treasury shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Exit Offer at a price equal to the Exit Offer Price.

The Offeror intends to make the Company its wholly-owned subsidiary. **Accordingly, when entitled, the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act.**

In addition, Shareholders who have not accepted the Exit Offer will have the right under and subject to Section 215(3) of the Companies Act to require the Offeror to acquire their Shares in the event that the Offeror or its nominees acquire, pursuant to the Exit Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations and/or their respective nominees, comprise 90% or more of the total issued Shares (excluding treasury shares).

**Shareholders who have not accepted the Exit Offer and who wish to exercise their rights under Section 215(3) of the Companies Act are advised to seek their own independent legal advice.**

**(v) Offeror's future plans for the Company**

The Offeror has stated its intention for the Company to continue its existing business activities and there are no plans to (i) make material changes to the Company's existing business, (ii) re-deploy the Company's fixed assets, or (iii) discontinue the employment of the employees of the Company, other than in the ordinary course of business following the privatisation of the Company.

**(vi) Alternative Offer**

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

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

**8. RECOMMENDATION**

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

- (i) the Shares have low trading liquidity and the Exit Offer therefore provides an opportunity for Shareholders to cash out at a premium to market prices without incurring trading commission and other costs. The Exit Offer is particularly useful to Shareholders holding significant blocks of Shares who had sought to dispose their Shares but were hampered from doing so by the thin trading volume of the Shares;
- (ii) during the 24-month period prior to the Joint Announcement Date up to the Last Trading Day, the closing prices of the Shares have traded within a range of S\$1.70 to S\$2.54. The Exit Offer Price represents a premium of approximately 50.00% over the lowest closing price of S\$1.70 and a premium of approximately 0.39% over the highest closing price of S\$2.54 during this period;
- (iii) from the first trading day after the Joint Announcement Date and up to the Latest Practicable Date, the closing prices of the Shares have traded between S\$2.53 and S\$2.54. The Exit Offer Price represents a 0.75% premium over the VWAP of the Shares for the period from the first trading day after the Joint Announcement Date up to the Latest Practicable Date;
- (iv) the Shares have not traded at or above the Exit Offer Price since the Joint Announcement Date. The Exit Offer Price represents a premium of approximately 0.79% to the last closing price of the Shares of S\$2.53 as at the Latest Practicable Date;
- (v) the Exit Offer Price represents a premium of approximately 8.97% over the closing price of S\$2.34 on the Last Trading Day;
- (vi) the Exit Offer Price represents a premium of 25.62%, 17.89%, 8.14%, 6.12% and 8.19% over the VWAP of the Shares in the 24-month, 12-month, 6-month, 3-month and 1-month periods up to the Last Trading Day;
- (vii) the Shares have generally outperformed the STI Index and the Comparable Companies Index over the 2-year period up to the Joint Announcement Date. However, we note that given the limited liquidity, the historically transacted prices of the Shares may not be a meaningful indicator of its market value;
- (viii) the Exit Offer Price is at a significant premium relative to the Group's historical NAV per Share and NTA per Share over the 2-year period prior to the Joint Announcement Date;
- (ix) the Exit Offer Price is at a premium relative to the Group's historical RNAV per Share for the 2-year period prior to the Joint Announcement Date, with the exception of the period beginning 1 January 2013 up till the Latest Practicable Date;
- (x) the EV/EBITDA multiple of the Company as implied by the Exit Offer Price is higher than the mean and median EV/EBITDA multiples of the Comparable Companies;



- (xi) the P/E multiple of the Company as implied by the Exit Offer Price is higher than the mean and median P/E multiples of the Comparable Companies;
- (xii) the P/NTA multiple of the Company as implied by the Exit Offer Price is higher than the mean and median P/E multiples of the Comparable Companies;
- (xiii) the historical dividend yield of the Shares is within the range of the ordinary dividend yields of the Comparable Companies which declared dividends for their most recent reported financial year and below the mean but higher than the median dividend yields;
- (xiv) the market price premia implied by the Exit Offer Price is within the range of the premia of the Successful Delisting Offers and below the corresponding mean and median premia, while the P/NTA implied by the Exit Offer Price is higher than the mean and median premia of the Successful Delisting Offers. The P/NTA implied by the Exit Offer Price is also higher than the P/NTA multiple for all the Successful Delisting Offers, except in the cases of the Cerebos Pacific and Gul Technologies transactions;
- (xv) the market price premia implied by the Exit Offer Price is within the range of the premia of the Successful Privatisation Transactions and below the corresponding mean and median premia, while the P/NTA implied by the Exit Offer Price is equal to the mean but higher than the median premia of the Successful Privatisation Transactions;
- (xvi) the Offeror intends to delist the Company from the SGX-ST and, when entitled, to exercise its right under Section 215(1) of the Companies Act to compulsorily acquire, at the Exit Offer Price, all the Shares held by Shareholders who have not accepted the Exit Offer;
- (xvii) as informed by the Directors, the Company has not received any competing offer or an enhancement or revision of the Exit Offer and there is no publicly available evidence of an Alternative Offer for the Shares from any third party as the Latest Practicable Date. In the event of an alternative or competing offer, we note that unless the Offeror accepts such alternative or competing offer, any offer made by any third parties would not be capable of becoming unconditional; and
- (xviii) the Offeror holds approximately 81.57% of the total number of issued Shares in the Company as at the Latest Practicable Date;

**Based on the considerations set out in this letter and the information available to us as at the Latest Practicable Date, we are of the opinion that the financial terms of the Exit Offer are fair and reasonable and not prejudicial to the interests of the Shareholders in the context of a delisting exit offer involving no change in control of the Company. We recommend that the Independent Director should advise the Shareholders to VOTE IN FAVOUR of the Delisting Resolution and either ACCEPT the Exit Offer or sell their Shares in the open market if they can obtain a price higher than the Exit Offer Price (after taking into account all brokerage commissions or transaction costs in connection with open market transactions) by doing so.**

**Shareholders should note that unless the Delisting Resolution is voted against by 10% of more of the total number of Shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM, the Delisting Resolution is likely to be passed at the EGM given the voting intentions of the Offeror.**

**Shareholders may consider retaining their Shares even after the Company is delisted, but they should be mindful of the salient risk factors, including but not limited to the following:**

- (i) it will be more difficult for Shareholders to sell their Shares in the absence of a ready public market for the Shares;
- (ii) the Shares will be less marketable due to the absence of a ready public market, which may result in the Shares being transacted at discounts to the valuation of comparable listed companies;

- (iii) there is no guarantee that the historical dividend payments of the Company would be maintained in the future; and
- (iv) in the event that the Company is delisted from the SGX-ST, it will no longer be obliged to comply with the listing requirements of the SGX-ST. Nonetheless, the Company will still have to comply with the Companies Act and its Memorandum and Articles.

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

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

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

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

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

Yours faithfully  
For and on behalf of

**Australia and New Zealand Banking Group Limited, Singapore Branch**



Ben Gledhill  
Head of Corporate Advisory, Asia



Vishal Rathee  
Director, Corporate Advisory



## ADDITIONAL INFORMATION ON THE COMPANY AND THE GROUP

### 1. DIRECTORS

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

<u>Name</u>	<u>Address</u>	<u>Designation</u>
Dr. Wee Cho Yaw	2 Jalan Asuhan Singapore 299323	Chairman; non-executive and non-independent Director
Mr. Gwee Lian Kheng	245 Orchard Boulevard #17-03 Orchard Bel Air Singapore 248648	Group Chief Executive; executive and non-independent Director
Mr. Low Weng Keong	59 Sommerville Estate Road Sommerville Park Singapore 258044	Non-executive independent Director
Mr. Wee Ee-chao	2 Jalan Asuhan Singapore 299323	Non-executive and non-independent Director
Mr. Wee Ee Lim	6 Camden Park Camden Park Singapore 299796	Non-executive and non-independent Director
Ms. Wee Wei Ling	5 Jalan Sejarah Capitol Park Singapore 299054	Executive and non-independent Director
Mr. James Koh Cher Siang	26 Dunbar Walk Frankel Estate Singapore 459313	Non-executive and independent Director
Mr. Amedeo Patrick Imbardelli	40 Belmont Road Singapore 269876	President and CEO; executive and non-independent Director

### 2. REGISTERED OFFICE

The registered office of the Company is at 101 Thomson Road, #33-00 United Square, Singapore 307591. The principal place of business of the Company is 238A Thomson Road, #08-00 Novena Square Office Tower A, Singapore 307684.

### 3. PRINCIPAL ACTIVITIES

The Company was incorporated in Singapore on 17 June 1968 and is listed on the Mainboard of the SGX-ST. The principal activities of the Company are those of a hotelier, property owner and the holding of investments.

### 4. SHARE CAPITAL OF THE COMPANY

#### 4.1 Issued Share Capital

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$557,332,834 comprising 600,000,000 Shares.

#### 4.2 Rights in respect of Capital, Dividends and Voting

The rights of Shareholders in respect of capital, dividends and voting are contained in the Memorandum and Articles, which are available for inspection at the Company's registered office at 101 Thomson Road, #33-00 United Square, Singapore 307591. The relevant provisions have been extracted from the Articles and reproduced in **Appendix III** to this Circular. Capitalised terms and expressions not defined below have the meanings ascribed to them in the Articles and/or the Companies Act.

#### 4.3 New Issues

As at the Latest Practicable Date, no new Shares were issued since 31 December 2012.

#### 4.4 Options

There are no other outstanding instruments convertible into, rights to subscribe for, and options in respect of, the Shares, as at the Latest Practicable Date.

#### 4.5 Pre-Emption

There is no restriction in the Memorandum and Articles on the right to transfer any Offer Shares, which has the effect of requiring the holders of such Offer Shares, before transferring them, to offer them for purchase to members of the Company or to any person.

### 5. **FINANCIAL INFORMATION**

#### 5.1 Consolidated Income Statements

A summary of the restated audited consolidated income statements of the Group for FY2010 and FY2011, the audited consolidated income statements of the Group for FY2012 and the unaudited consolidated income statements of the Group for the three (3) months ended 31 March 2013 is set forth below. This summary is extracted from, and should be read together with, the annual reports and the audited financial statements of the Group for FY2010, FY2011 and FY2012 as well as the unaudited financial statements of the Group for the three (3) months ended 31 March 2013, and the respective accompanying notes, copies of which are available for inspection at the Company's registered office at 101 Thomson Road, #33-00 United Square, Singapore 307591.

	<b>FY2010<sup>(1)</sup> S\$'000</b>	<b>FY2011<sup>(1)</sup> S\$'000</b>	<b>Audited FY2012 S\$'000</b>	<b>Unaudited 3 months ended 31 March 2013 S\$'000</b>
Revenue	324,242	358,213	372,565	97,778
Other gains/(losses) - net	156	(23,823)	(19,159)	—
Fair value gains on investment properties	9,979	63,691	45,004	—
Profit before income tax	70,351	101,520	86,454	14,049
Net profit	56,916	90,194	72,290	9,852
Non-controlling interests	(1,580)	(550)	(1,107)	(369)
Net profit after tax and non-controlling interests	55,336	89,644	71,183	9,483
EPS (cents)				
- Basic and diluted	9.22	14.94	11.86	1.58

**Notes:**

- (1) The FY2010 and FY2011 figures are based on audited financial statements of the respective years and after adjusting for the effects of the adoption of amendments to FRS12 – Deferred Tax – recovery of underlying assets on 1 January 2012.

## 5.2 Balance Sheet

A summary of the audited consolidated balance sheet of the Group as at 31 December 2012 and the unaudited consolidated balance sheet of the Group as at 31 March 2013 is set out below. This summary is extracted from, and should be read together with, the annual report and the audited financial statements of the Group for FY2012, the unaudited financial statements of the Group for the three (3) months ended 31 March 2013, and the respective accompanying notes, copies of which are available for inspection at the Company's registered office at 101 Thomson Road, #33-00 United Square, Singapore 307591.

	<b>Audited as at 31 December 2012 S\$'000</b>	<b>Unaudited as at 31 March 2013 S\$'000</b>
Current assets	71,639	82,280
Non-current assets	1,342,012	1,354,183
<b>Total assets</b>	<b>1,413,651</b>	<b>1,436,463</b>
Current liabilities	119,091	95,027
Non-current liabilities	367,201	397,452
<b>Total liabilities</b>	<b>486,292</b>	<b>492,479</b>
<b>NET ASSETS</b>	<b>927,359</b>	<b>943,984</b>
Share capital	557,333	557,333
Reserves	367,000	383,402
Non-controlling interests	3,026	3,249
<b>TOTAL EQUITY</b>	<b>927,359</b>	<b>943,984</b>

## 5.3 Consolidated NTA per Share

The consolidated NTA per Share of the Group based on the unaudited consolidated financial statements of the Group for the three (3) months ended 31 March 2013 is S\$1.54. As at the Latest Practicable Date, the Directors are not aware of any material changes which may affect the above stated consolidated NTA per Share.

## 5.4 Significant Accounting Policies and Changes

Save as disclosed in the notes to the audited consolidated financial statements of the Group for FY2012 attached to the annual report of the Company for FY2012 and the notes to the unaudited consolidated financial statements of the Group for the three (3) months ended 31 March 2013 which are available for inspection at the registered office of the Company at 101 Thomson Road, #33-00 United Square, Singapore 307591:

- (a) there were no significant accounting policies or any matter from the notes of the financial statements of the Group which are of any major relevance for the interpretation of the financial statements of the Group; and
- (b) there was no change in the accounting policies of the Group which will cause the financial statements of the Group not to be comparable to a material extent.

## 5.5 Material Changes in Financial Position

Save as set out in publicly available information on the Group (including but not limited to the announcement of the unaudited financial statements of the Group for the three (3) months ended 31 March 2013), as at the Latest Practicable Date, there has been no known material change in the financial position of the Group since 31 December 2012, the date of the Group's last published audited financial statements.

## 6. DISCLOSURE OF INTERESTS

### 6.1 Shareholdings

- (a) The Company does not have any direct or deemed interest in (i) any shares of the Offeror or (ii) any Convertible Securities, Warrants, Options or Derivatives in respect of any shares of the Offeror, as at the Latest Practicable Date.
- (b) The Company has not dealt for value in (i) any shares of the Offeror or (ii) any Convertible Securities, Warrants, Options or Derivatives in respect of any shares of the Offeror during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.
- (c) Save as disclosed below, none of the Directors has any direct or deemed interest in any (i) Shares or (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any Shares, as at the Latest Practicable Date.

	Direct Interest		Deemed Interest		Total	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
<b>Directors</b>						
Dr. Wee Cho Yaw	—	—	489,440,652 <sup>(2)</sup>	81.57	489,440,652	81.57
Mr. Gwee Lian Kheng	171,000	0.03	315,000 <sup>(3)</sup>	0.05	486,000	0.08
Mr. Wee Ee-chao	—	—	892,500 <sup>(4)</sup>	0.15	892,500	0.15
Ms. Wee Wei Ling	27,000	0.00	67,500 <sup>(5)</sup>	0.01	94,500	0.02

**Notes:**

- (1) Based on 600,000,000 Shares in issue as at the Latest Practicable Date.
  - (2) Dr. Wee Cho Yaw is deemed to be interested in 435,000,000 Shares held directly by the Offeror and 54,440,652 Shares held by UOB Kay Hian for the benefit of the Offeror.
  - (3) Mr. Gwee Lian Kheng is deemed to be interested in 60,000 Shares held by his spouse, Ms. Low Rowee, and 255,000 Shares held by Melda Investment Pte Ltd.
  - (4) Mr. Wee Ee-chao is deemed to be interested in 892,500 Shares held in the name of UOB Kay Hian for the benefit of K.I.P. Inc..
  - (5) Ms. Wee Wei Ling is deemed to be interested in 67,500 Shares held by her spouse, Mr. Tan Deng Lang.
- (d) None of the Directors has dealt for value in any (i) Shares and (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any Shares during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.
  - (e) Save as disclosed below, none of the Directors has any direct or deemed interest in any (i) shares of the Offeror or (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any shares of the Offeror, as at the Latest Practicable Date.

(i) Shares

Directors	Direct Interest		Deemed Interest		Total	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Dr. Wee Cho Yaw	3,388,151	0.44	238,324,442 <sup>(2)</sup>	30.93	241,712,593	31.37
Mr. Gwee Lian Kheng	388,000	0.05	—	—	388,000	0.05
Mr. Wee Ee-chao	30,748	0.00	90,326,530 <sup>(3)</sup>	11.72	90,357,278	11.73
Ms. Wee Wei Ling	983,493	0.13	30,603 <sup>(4)</sup>	0.00	1,014,096	0.13
Mr. James Koh Cher Siang	385	0.00	—	—	385	0.00
Mr. Wee Ee Lim	241,489	0.03	90,059,452 <sup>(5)</sup>	11.69	90,300,941	11.72
Mr. Amedeo Patrick Imbardelli	85,000	0.01	—	—	85,000	0.01

(ii) Options

Directors	Date of Grant	Exercise Period	Exercise Price (per Option)	Number of Options
Mr. Gwee Lian Kheng	21 May 2004	21 May 2005 to 20 May 2014	S\$2.28	100,000
	18 May 2006	18 May 2007 to 17 May 2016	S\$3.21	100,000
	16 March 2007	16 March 2008 to 15 March 2017	S\$4.91	100,000
	7 March 2008	7 March 2009 to 6 March 2018	S\$3.68	100,000
	5 March 2010	5 March 2011 to 4 March 2020	S\$3.95	100,000
	4 March 2011	4 March 2012 to 3 March 2021	S\$4.62	100,000
	23 August 2012	23 August 2013 to 22 August 2022	S\$5.40	120,000
Ms. Wee Wei Ling	8 March 2013	8 March 2014 to 7 March 2023	S\$6.55	120,000
	21 May 2004	21 May 2005 to 20 May 2014	S\$2.28	42,000
Mr. Amedeo Patrick Imbardelli	9 May 2005	9 May 2006 to 8 May 2015	S\$2.23	42,000
	23 August 2012	23 August 2013 to 22 August 2022	S\$5.40	40,000
	8 March 2013	8 March 2014 to 7 March 2023	S\$6.55	40,000

**Notes:**

- (1) Based on 770,506,154 shares of the Offeror in issue as at the Latest Practicable Date.
- (2) Dr. Wee Cho Yaw is deemed to be interested in 238,324,442 shares comprising:
- (a) 106,562,587 shares held by C. Y. Wee & Company Private Limited;
  - (b) 90,041,090 shares held by Wee Investments (Pte) Limited;
  - (c) 41,428,805 shares which Haw Par Corporation Limited is deemed to be interested in;
  - (d) 17,102 shares held by Kheng Leong Company (Private) Limited; and
  - (e) 274,858 shares held by his spouse, Mdm. Chuang Yong Eng.
- (3) Mr. Wee Ee-chao is deemed to be interested in 90,326,530 shares comprising:
- (a) 90,041,090 shares held by Wee Investments (Pte) Limited;
  - (b) 265,565 shares held by Protheus Investment Holdings Pte Ltd;
  - (c) 17,102 shares held by Kheng Leong Company (Private) Limited; and
  - (d) 2,773 shares held by his spouse, Ms. Lim Soon Chie.
- (4) Ms. Wee Wei Ling is deemed to be interested in 30,603 shares held by her spouse, Mr. Tan Deng Lang.
- (5) Mr. Wee Ee Lim is deemed to be interested in 90,059,452 shares comprising:
- (a) 90,041,090 shares held by Wee Investments (Pte) Limited;
  - (b) 17,102 shares held by Kheng Leong Company (Private) Limited; and
  - (c) 1,260 shares held by his spouse, Ms. Sofina Whang Sze Fang.

- (f) Save as disclosed below, none of the Directors has dealt for value in any (i) shares of the Offeror and (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any shares of the Offeror during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

Directors	Date of Transaction	Number of Shares/ Options of the Offeror	Details
Mr. Gwee Lian Kheng	14 March 2013	120,000 Options	Acceptance of employee share options granted pursuant to the UOL 2012 Share Option Scheme
Mr. Amedeo Patrick Imbardelli	18 March 2013	40,000 Options	Acceptance of employee share options granted pursuant to the UOL 2012 Share Option Scheme
Mr. Amedeo Patrick Imbardelli	30 April 2013	34,000 shares	Exercise of employee share options to acquire shares of the Offeror at S\$3.95 pursuant to the UOL 2000 Share Option Scheme
Mr. Amedeo Patrick Imbardelli	30 April 2013	51,000 shares	Exercise of employee share options to acquire shares of the Offeror at S\$4.62 pursuant to the UOL 2000 Share Option Scheme

- (g) None of ANZ, its related corporations or any funds whose investments are managed by ANZ on a discretionary basis owns or controls any (i) Shares or (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any Shares as at the Latest Practicable Date.
- (h) None of ANZ, its related corporations or any funds whose investments are managed by ANZ on a discretionary basis has dealt for value in any (i) Shares or (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any Shares during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

## 6.2 Directors' Intentions in relation to the Exit Offer

- (a) Mr. Gwee Lian Kheng has informed the Company that he intends to accept the Exit Offer in respect of all the Shares legally and/or beneficially owned by him.
- (b) Mr. Wee Ee-chao has informed the Company that he intends to accept the Exit Offer in respect of all the Shares legally and/or beneficially owned by him.
- (c) Ms. Wee Wei Ling has informed the Company that she intends to accept the Exit Offer in respect of all the Shares legally and/or beneficially owned by her.

## 6.3 Other Disclosures

- (a) There are no service contracts between any of the Directors or proposed directors with the Company or its subsidiaries which have more than 12 months to run and which are not terminable by the employing company within the next 12 months without paying any compensation. There are no such service contracts entered into or amended by the Company or its subsidiaries during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.
- (b) It is not proposed that any payment or other benefit be made or given to any Director or director of any other corporation which is by virtue of Section 6 of the Companies Act deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Exit Offer.
- (c) There are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Exit Offer.

6.4 Material Contract

Save for the Relevant Directors, none of the Directors has a material personal interest, whether direct or indirect, in any material contract entered into by the Offeror as at the Latest Practicable Date.

**7. MATERIAL CONTRACTS WITH INTERESTED PERSONS**

Neither the Company nor any of its subsidiaries has entered into material contracts with persons who are Interested Persons (other than those entered into in the ordinary course of business) during the period commencing three (3) years prior to the Joint Announcement Date and ending on the Latest Practicable Date.

**8. MATERIAL LITIGATION**

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

**9. MATERIAL CHANGE IN INFORMATION**

Save as disclosed in this Circular and save for information relating to the Company, the Group or the Exit Offer and the Delisting that is publicly available, there has been no material change in any information previously published by or on behalf of the Company during the period commencing from the Joint Announcement Date and ending on the Latest Practicable Date.



## PROVISIONS IN THE ARTICLES RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING

### ***“PRELIMINARY***

3. *The Company, may, subject to and in accordance with the Act, purchase or otherwise acquire any of its issued shares on such terms and in such manner as the Company may from time to time think fit and in the manner prescribed by the Act. If required by the Act, any share which is so purchased or acquired by the Company, unless held as treasury shares in accordance with the Act, shall be deemed to be cancelled immediately on purchase or acquisition by the Company. On cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such shares (including treasury shares) which is so purchased or acquired by it in accordance with, the Act.*
  
- 3A.
  - (1) *Shares that the Company purchases or otherwise acquires may be held as treasury shares in accordance with the provisions of these presents and the Act.*
  
  - (2) *Where the shares purchased or otherwise acquired are held as treasury shares by the Company, the Company shall be entered in the register of members as the member holding the treasury shares.*
  
  - (3) *The Company shall not however exercise any right in respect of the treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in such manner as may be permitted by, and in accordance with the Act.*
  
4. *Any share in the Company may be issued with such preferred deferred or other special rights, or such restrictions, whether in regard to dividend, return of capital voting or otherwise, as the Company may from time to time by Ordinary Resolution determine, and subject to the provisions of the Act, the Company may issue preference shares which are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company before the issue thereof may by Special Resolution determine.*
  
- 4A. *The rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same and in the provisions of these presents.*
  
5. *Notwithstanding the foregoing article on any issue of preference shares, preference shareholders will be deemed to have the same rights as ordinary shareholders as regards the receiving of notices, reports and balance sheets and the attending of general meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking or where the proposal is submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six Months in arrears.*
  
6.
  - (a) *Preference Shares may be issued subject to such limitation thereof as may be prescribed by the Exchange.*
  
  - (b) *The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.*

## **VARIATION OF RIGHTS**

7. *Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Act, be varied or abrogated, and preference capital may be repaid if agreed to by the holders who represent at least three-fourths of the total voting rights of all the shares of that class at a General Meeting of the holders of the shares of the class called for the purpose. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company, or the proceedings thereat, shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one third of the total voting rights of all the shares of that class. Provided always that where the necessary majority for such a Special Resolution is not obtained at the meeting, consent in writing if obtained from holders who represent at least three-fourths of the total voting rights of all the shares of that class concerned within two Months of the meeting, shall be as valid and effectual as a Special Resolution carried at the meeting.*
8. *The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.*

## **ALTERATION OF CAPITAL**

9. *The Company in General Meeting may from time to time whether all the shares for the time being issued shall have been called up or not, increase its capital by the allotment and issue of new shares.*
10. (a) *Subject to any direction to the contrary that may be given by the Company in General Meeting or except as permitted under the bye-laws and listing rules of the Exchange, any unissued shares or any new shares from time to time to be created, shall before they are issued be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. Such offer shall be made by notice specifying the number of shares offered and limiting a time within which the offer if not accepted will be deemed to be declined, and after the expiration of such time or on the receipt of an intimation from the person whom the offer is made that he declines to accept the shares offered the Directors may subject to these Articles, dispose of the same in such manner as they think most beneficial to the Company. The Directors may in like manner dispose of any such new or original shares as aforesaid which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in the manner hereinbefore provided.*
  - (b) *Except so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original ordinary share capital of the Company and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.*
- 10A. *Notwithstanding Article 10(a) but subject to the provisions of the Act and to the bye-laws and listing rules of the Exchange, the Company may apply to the Exchange to waive the convening of an Extraordinary Meeting to obtain shareholders' approval for further issues of shares (other than shares issued pursuant to bonus or rights issues) where:-*
  - (1) *in accordance with the provisions of Section 161 of the Act, there is still in effect a resolution approving the issue of shares by the Company; and*
  - (2) *the aggregate issues of which in any financial year (other than by way of bonus or rights issues) do not exceed 10% of the total number of issued shares of the Company (excluding treasury shares).*

11. *The Company may by Ordinary Resolution:-*

- (a) Consolidate and divide all or any of its shares;*
- (b) Cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person or which have been forfeited and diminish the amount of its capital by the number of the shares so cancelled;*
- (c) Sub-divide its shares, or any of them, in accordance with the Act and the bye-laws or listing rules of the Exchange and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have only such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions are compared with the others as the Company has power to attach to unissued or new shares.*

12. *The Company may by Special Resolution reduce its share capital in any manner subject to any incident authorisation and consent required by the Act.*

**SHARES**

13. (1) *Subject to Article 10 hereof, the shares in the capital of the Company for the time being unissued shall be at the disposal of the Directors, and they may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as they think proper, but so that no shares shall be issued which shall have the effect of transferring a controlling interest without the prior approval of the members in General Meeting.*

- (2) Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within 10 Market Days of the closing date (or such other period as may be approved by the Exchange) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the register of members as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.*

14. *The Company may exercise the powers of paying commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit.*

17. *When two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with the benefit of survivorship subject to the provisions following:-*

- (a) The Company shall not be bound to register more than three persons as the joint holders of any share but this provision shall not apply in the case of executors or trustees of a deceased shareholder.*
- (b) For the purposes of quorum, joint holders of any share shall be treated as one member.*
- (c) Only the person whose names stands first in the Register as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company.*
- (d) The joint holders of any share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.*
- (e) Any one of the joint holders of any share may give effectual receipts for any dividend, bonus or other sum of money payable to such joint-holders in respect of such share.*

- (f) *On the death of any one of the joint holders of any share the survivor or survivors shall be the only person or persons recognised by the Company as having any title to such share but the Directors may require such evidence of death as they think necessary to call for.*

### **STOCK**

47. *The Company may by Ordinary Resolution convert any paid-up shares into stock, and may from time to time by like resolution re-convert any stock into paid-up shares.*
48. *The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit, but no stock shall be transferable except in such units as the Directors may from time to time determine.*
49. *The holders of stock shall, according to the number of the stock units held by them, have the same rights privileges and advantages as regards dividends, return of capital, voting and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards dividend and return of capital) shall be conferred by any number of stock units which would not, if existing in shares, have conferred such privilege or advantage.*
50. *All such of the provisions of these presents as are applicable to paid-up shares shall apply to stock, and the words share and shareholders therein shall include stock and stockholders.*

### **GENERAL MEETINGS**

51. *An Annual General Meeting shall (subject to any provision of the Act relating to its first Annual General Meeting) be held once in every Year, at such time (within a period of not more than fifteen Months after holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.*
52. *The Directors may whenever they think fit, and shall on requisition in accordance with the Act, proceed to convene an Extraordinary General Meeting.*

### **NOTICE OF GENERAL MEETINGS**

53. *Subject to the provisions of the Act relating to the convening of meetings to pass Special Resolutions and in respect of special notice, at least fourteen (14) days' notice specifying the place, the day and the hour, of the meeting, and in the case of special business, the general nature of such business accompanied by a statement regarding the general effect of any proposed resolution in respect of such special business shall be given in manner hereinafter mentioned to such persons as are under the provisions of these Articles entitled to receive notices of General Meetings from the Company, Provided That a General Meeting which has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:*

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

*except that the accidental omission to give such notice to or the non-receipt of such notice by any such person shall not invalidate any resolution passed or proceeding had at any such meeting. If the shares of the Company are quoted on an Exchange, at least fourteen (14) days' notice or such number of days as may be prescribed by the Act, the bye-laws or listing rules of such Exchange, of every such meeting shall be given by advertisement in the daily press and in writing to such Exchange.*

- 53A. (a) *Where special notice is required of a resolution pursuant to the Act, notice of the intention to move the resolution shall be given to the Company and notice of any General Meeting shall be called in accordance with the Act and in particular, Section 185 of the Act.*
- (b) *Subject to the Act or the bye-laws or listing rules of the Exchange, for so long as the shares in the Company are listed on the Exchange, notices convening any General Meeting at which it is proposed to pass a Special Resolution shall be provided to the Exchange and sent to shareholders at least fifteen Market Days before the meeting. Notices convening any other General Meeting must be provided to the Exchange and sent to shareholders at least ten Market Days before the meeting.*
54. (a) *Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.*
- (b) *In the case of an Annual General Meeting, the notice shall also specify the meeting as such.*
- (c) *Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least fourteen days' notice of every such meeting shall be given by advertisement in the daily Press and in writing to any Exchange.*
- (d) *At least fourteen days' notice of any General Meeting shall also be given by advertisement in at least one daily newspaper and in writing to any Exchange. Where notices contain special resolutions, they must be given to shareholders at least twenty-one days before the meeting.*
55. *Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-*
- (a) *Declaring dividends;*
- (b) *Reading, considering and adopting the balance sheet, the reports of the Directors and Auditors, and other accounts and documents required to be annexed to the balance sheet;*
- (c) *Appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and*
- (d) *Appointing Directors in the place of those retiring by rotation or otherwise and fixing the remuneration of the Directors.*

#### **PROCEEDINGS AT GENERAL MEETINGS**

56. *No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business.*
- Save as herein otherwise provided, the quorum at any General Meeting shall be two members present in person or by proxy. PROVIDED THAT where a member is represented by more than one proxy such proxies shall count as only one member for the purpose of determining the quorum.*
57. *If within half an hour from the time appointed for a meeting convened on the requisition of members, the quorum is not present, then notwithstanding Article 56 hereof, the members present shall constitute a quorum. In any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday then to the next business day following that public holiday) at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within fifteen*



*minutes from the time appointed for holding the meeting, the meeting shall be dissolved. For the purposes of this Article 57, the term "business day" shall mean a day (not being a Saturday, Sunday or public holiday) on which commercial banks are open for business in Singapore.*

58. *Subject to the provisions of the Act, a resolution in writing signed by every member of the Company entitled to vote shall have the same effect and validity as an Ordinary Resolution of the Company passed at a General Meeting, duly convened, held and constituted, and may consist of several documents in the like form, each signed by one or more of such members.*
59. *The Chairman of the Directors shall preside as Chairman at every General Meeting. If there be no such Chairman, or if at any meeting he be not present with fifteen minutes after the time appointed for holding the meeting or be unwilling to act, the members, present shall choose some Director to be Chairman of the meeting, or if no Director be present or if all the Directors present decline to take the chair, one of their number present to be Chairman.*
60. *The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.*
61. *At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-*
- (a) the Chairman of the meeting; or*
  - (b) not less than two members present in person or by proxy and who are entitled to vote; or*
  - (c) any member present in person or by proxy, or where such a member has appointed two proxies any one of such proxies, or any number or combination of such members or proxies, holding or representing as the case may be not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or*
  - (d) any member present in person or by proxy, or where such a member has appointed two proxies any one of such proxies, or any number or combination of such members or proxies, holding or representing as the case may be shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid-up on all shares of the Company conferring that right (excluding treasury shares);*

*Provided always that no poll shall be demanded on the choice of a Chairman or on a question of adjournment. A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.*

62. *If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude.*

63. *If a poll be duly demanded (and the demand be not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may (and if so requested shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.*
64. *In the case of an equality of votes, whether on show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.*
65. *A poll demanded on any question other than the choice of a Chairman and a question of adjournment shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.*
66. *The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.*

#### **VOTES OF MEMBERS**

67. *Subject to Article 70 and to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company, each member entitled to vote may vote in person or by proxy or by attorney or in the case of a corporation by a representative. On a show of hands every member who is present in person or by proxy or by attorney or in the case of a corporation by a representative shall have one vote PROVIDED THAT in the case of a member who is represented by two or more proxies, only one of the proxies as determined by that member or, failing such determination, by the chairman of the meeting (or by a person authorised by him) in his sole discretion, shall be entitled to vote. On a poll, every member who is present in person or by proxy or by attorney or in the case of a corporation by a representative shall have one vote for every share which he holds or represents. For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any general meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 48 hours before the time of the relevant general meeting as certified by the Depository to the Company.*
68. *In the case of joint holders of a share any one of such persons may vote, but if more than one of such persons be present at a meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members or (as the case may be) the Depository Register in respect of the joint holding.*
69. *A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, curator bonis or other person in the nature of a committee curator bonis appointed by such court (who may appoint a proxy), provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office not less than forty-eight hours before the time appointed for holding the meeting.*
70. *Every member who is a holder of ordinary shares shall be entitled to be present and to vote at any General Meeting either personally or by proxy and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.*
71. *No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.*



72. *On a poll votes may be given either personally or by proxy, and a person entitled to more than one need not use all his votes or cast all the votes he uses in the same way.*
73. (1) *An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:-*
- (a) *in the case of an individual shall be signed by the appointor or his attorney; and*
- (b) *in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.*
73. (2) *The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Article 75, failing which the instrument may be treated as invalid.*
74. (1) *Save for members which are nominee companies, a member shall not be entitled to appoint more than two proxies to attend and vote at the same General Meeting, provided that if the member is a Depositor, the Company shall be entitled and bound:*
- (a) *to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company; and*
- (b) *to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.*
74. (2) *The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.*
74. (3) *In any case where an instrument of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument of proxy.*
74. (4) *A proxy need not be a member.*
75. *An instrument appointing a proxy must be left at the office or such other place (if any) as is specified for that purpose in the notice convening the meeting not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which it is to be used, and in default shall not be treated as valid.*
76. *An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto, and to speak at the meeting. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.*

77. *A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the office (or at such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.*

#### **CORPORATION ACTING BY REPRESENTATIVES**

78. *Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representatives at any meeting of the Company or of class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company.*

#### **DIVIDENDS AND RESERVES**

123. *The Company may by Ordinary Resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Directors. No dividends may be paid, unless otherwise provided in the Act, to the Company in respect of treasury shares.*
124. *Subject to the rights of holders of shares with special rights as to dividend (if any) and except as otherwise provided in the Act:*
- (a) all dividends in respect of shares shall be declared and paid in proportion to the number of shares held by a member but where shares are partly paid all dividends shall be apportioned and paid proportionately accordingly to the amounts paid or credited as paid on the partly paid shares; and*
  - (b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.*

*For the purpose of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share.*

125. *If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed preferential dividends on any class of shares carrying a fixed preferential dividend expressed to be payable on fixed date on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they think fit.*
126. *Subject to the provisions of the Act where any assets, business or property is bought by the Company as from a past date upon the terms that the Company shall as from that date take the profits and bear the losses thereof, such profits or losses, as the case may be, shall, at the discretion of the Directors, be credited or debited wholly or in part to revenue account, and in that case the amount so credited or debited shall, for the purpose of ascertaining the fund available for dividend, be treated as a profit or loss arising from the business of the Company and available for dividend accordingly. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest such dividend or interest when paid may at the discretion of the Directors be treated as revenue, and it shall not obligatory to capitalise the same or any part thereof.*

128. *No dividend or other moneys payable on or in respect of a share shall bear interest against the Company.*
129. *The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums (if any) presently payable by him to the Company on account of calls or in connection therewith.*
130. *The Directors may retain any dividend or other moneys payable on or in respect of share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.*
131. *The Directors may retain the dividends payable on shares in respect of which any person is under the provisions as to the transmission of shares herein before contained to become a member, or which any person under those provisions is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.*
132. *The payment by the Directors of any unclaimed dividend of other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend unclaimed after a period of six Years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company.*
133. *The Company may, upon the recommendation of the Directors, by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets and in particular of paid-up shares or debentures of any other company or in any one or more of such ways; and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.*
134. *Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the register of members or (as the case may be) the Depository Register of the member or person entitled thereto (or, if several persons are registered in the register of members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque if purporting to be endorsed or the receipt of any such person shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. No unpaid dividend or interest shall bear interest as against the Company. Notwithstanding the foregoing provisions of this Article, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of that payment. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six Years has elapsed from the date on which such other moneys are first payable.*
135. *If several persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.*

## **RESERVES**

136. *The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for meeting contingencies or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining the works, plant and machinery of the Company or for special dividends or bonuses or for equalising dividends or for any other purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the company or be invested. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think is not prudent to divide.*

## **CAPITALISATION OF PROFITS AND RESERVES**

137. *The Company may, upon the recommendation of the Directors, by Ordinary Resolution resolve that it is desirable to capitalise any sum standing to the credit or any of the Company's reserve accounts or any sum standing to the credit of profit and loss account or otherwise available for distribution, provided that such sum be not required for paying the dividends on any shares carrying a fixed cumulative preferential dividend, and accordingly that the Directors be authorised and directed to appropriate the sum resolved to be capitalised to the members holding Ordinary Shares in the proportions in which such sum would have been divisible amongst them had the same been applied been applicable in paying dividends and to apply such sum on their behalf, either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by such members respectively, or in paying up in full unissued shares or debentures of the Company.*
138. *Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriation and applications of the sum resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures (if any) and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any further shares to which they may be entitled upon such capitalisation, and any agreement made under such authority shall be effective and holding on all such members.*

## **WINDING UP**

156. *If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the Liquidator may, with the authority of a Special Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares in respect of which there is a liability.*
157. *On a voluntary winding up of the Company no commission or fee shall be paid to a liquidator without the prior approval of the members in General Meeting the amount of such commission or fee to be notified to all members not less than seven days before the meeting at which it is to be considered."*

**VALUATION REPORTS PREPARED IN CONNECTION WITH THE EXIT OFFER**

Our Ref: PKE:CT:ao:1305383

21 May 2013

The Board of Directors  
Pan Pacific Hotels Group Limited  
101 Thomson Road #33-00  
United Square  
Singapore 307591

Dear Sirs

**RE : RETAINED INTEREST IN THE PLAZA AT 7500A/D/E BEACH ROAD  
SINGAPORE 199591/4/5**

---

The certificate has been prepared for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by UOL Group Limited for the Company.

In accordance with your recent instructions to carry out a valuation of the properties, we confirm that we have inspected the properties and made relevant searches and have obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the subject properties as at 31 March 2013.

The term "Market Value" as used herein is intended to mean the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration, assuming :-

- a) a willing seller;
- b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of price and terms for the completion of the sale;
- c) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- d) that both parties to the transaction had acted knowledgeably, prudently and without compulsion."

Our valuations have been made on the assumption that the owner sells the properties on the open market without the benefit of a deferred term contract, joint venture, sale & leaseback or any similar arrangement which could affect the values of the properties.

.../Page 2



21 May 2013

No allowances have been made in our valuation for any charges, mortgages or amounts owing on the properties, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the properties are free from encumbrances, restrictions or other outgoings of an onerous nature which would affect their values, other than those which have been indicated to us.

Information as to tenure, site area and ownership is obtained from our searches carried out at the Singapore Land Registry. We have also relied on information provided by the company particularly in relation to matters such as tenancies and lettable areas.

Our valuation contained in this report represents our unbiased professional opinion and conclusion. We wish to confirm that we have no present or prospective interest in the properties which are the subject of this report and have no personal interest or bias with respect to any of the parties involved in this Offer. Our compensation is not contingent upon the report of a pre-determined value that favours the cause of any party involved in the Offer, the attainment of a stipulated result or the occurrence of a subsequent event (such as the recommendation by the independent directors of Pan Pacific Hotels Group Limited as to whether to accept the Offer).

We were not instructed to carry out structural survey of the buildings, or to test any of the services, but we have reflected in our valuation, where necessary, any items of disrepair which we noticed during the course of our inspection. We are not, however, able to report that the buildings are free of rot, infestation or any other defect.

Neither the whole of this Certificate, nor any part, nor any reference thereto, may be published in any document, statement or circular (except for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by UOL Group Limited for the Company), nor in any communication with third parties, without our prior written approval of the form and context in which it will appear.

Finally and in accordance with our normal practice, we confirm that this Valuation Certificate is for the use only of the party to whom it is addressed and no responsibility whatsoever is accepted to any third party.

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



Poh Kwee Eng (Ms)  
Executive Director  
Head of Valuation, SEA  
BSc (Est Mgt) FSISV  
(Appraiser's Licence No: AD041-2003168D)

Encl.



## VALUATION SUMMARY

<b>Property</b>	: Retained interest in The Plaza 7500A/D/E Beach Road Singapore 199591/4/5
<b>Legal Description (subject site)</b>	: Lot 1123W (formerly known as Lot 634N) Town Subdivision 13.
<b>Site Area</b>	: 18,217.0 sq.m.
<b>Tenure</b>	: 99 years commencing from 3 September 1968.
<b>Registered Proprietor (for retained interest)</b>	: Hotel Plaza Limited.
<b>Master Plan Zoning (2008 Edition)</b>	: The subject site is zoned 'Commercial'.
<b>Brief Description (subject development)</b>	: <p><u>Block A</u> A 32-storey Tower Block located behind Park Royal Hotel, housing shops, hotel function rooms and restaurants from the Basement 1 to the 3<sup>rd</sup> storey (retail podium), offices from the 4<sup>th</sup> to the 16<sup>th</sup> storey and serviced/residential apartments on the 18<sup>th</sup> to 32<sup>nd</sup> storey. The building was completed in 1978/1979.</p> <p><u>Block D</u> Block D is currently undergoing addition and alteration works involving conversion of the existing retail podium to a hotel facilities block.</p> <p><u>Block E</u> Block E comprises 5-storey building housing a multi-storey carpark (487 lots), a 4-storey office block with shop on the 1<sup>st</sup> storey (fronting Beach Road) and a newly completed Serviced Apartment tower block. Temporary Occupation Permits (TOP) for the Serviced Apartments were progressively obtained with the latest on 26 April 2013.</p>

## VALUATION SUMMARY (cont'd)

**Retained Interest to be Valued**

Block A

### Retail Podium

Properties to be valued include 11 strata shop units on Basement 1, 6 strata shop units on the 1<sup>st</sup> storey and 25 strata shop units on the 2<sup>nd</sup> storey of the retail podium.

The units are summarised as follows:-

Level	Unit Nos.
Basement 1	B1-301, B1-302, B1-306, B1-310 & 311, B1-312, B1-313, B1-314, B1-316 & 319, B1-320, B1-321 and B1-323 & 327
1 <sup>st</sup> Storey	01-303, 01-304, 01-305, 01-306 & 307, 01-313/317/318, 01-314/316
2 <sup>nd</sup> Storey	02-301 & 302, 02-304 & 305, 02-306, 02-307, 02-308, 02-310, 02-311, 02-312 & 315, 02-318/319/323/325, 02-320/322, 02-326 & 327, 02-328, 02-330, 02-331, 02-332, 02-333 & 334, 02-335, 02-336, 02-337, 02-337A, 02-338, 02-339, 02-340, 02-341 & 342, 02-345

### Offices

Properties to be valued include 2 strata offices on the 4<sup>th</sup> storey (#04-301 and #04-302) and a strata office unit on the 17<sup>th</sup> storey (#17-302).

### Service Apartments

Properties to be valued comprises 91 service apartments (including an owner-occupied unit) known as Parkroyal Serviced Suites, located on the 17<sup>th</sup> to 22<sup>nd</sup> storeys and have individual strata floor areas ranging from 44 sq.m. to 92 sq.m.

The units are summarised as follows:-

Level	Unit Nos.
17 <sup>th</sup> storey	301 & 305
18 <sup>th</sup> storey	301 to 318
19 <sup>th</sup> storey	301 to 318
20 <sup>th</sup> storey	301 to 318
21 <sup>st</sup> storey	301 to 318
22 <sup>nd</sup> storey	301 to 318

According to information provided, the occupancy rate and average daily rental per apartment achieved, YTD March 2013 is 78% and S\$253/- respectively.

### Block E

#### Carpark/Shop

Properties to be valued comprise 487 carparking lots within the 5-storey building and a strata shop unit (#01-201 to 207) on 1<sup>st</sup> storey.

### VALUATION SUMMARY (cont'd)

**Retained Interest to be Valued (cont'd)**

**Serviced Apartments**

A newly completed 180-room serviced apartments, known as Pan Pacific Serviced Suites with the guest rooms located from 7<sup>th</sup> to 20<sup>th</sup> storey. Room size ranges from 45 sq.m. to 66 sq.m.

**Floor Areas**

	Strata Floor Area (sq.m.)	Approximate Lettable Area (sq.m.)
<u><b>Block A</b></u>		
42 strata shop units	2,432.0	2,403
3 strata offices	1,284.0	1,267
91 serviced apartments and a house-keeping unit	6,527.0 *	6,290 **
<u><b>Block E</b></u>		
487 carpark lots	-	-
1 strata shop unit	401.0	401
180 serviced apartments	-	8,100
<b>Total :</b>	<b>10,644.0</b>	<b>18,461</b>

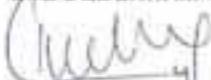
\* includes house-keeping unit of 237 sq.m.

\*\* excludes house-keeping unit

**Market Values as at 31 March 2013**

Property	Market Value as at 31 March 2013
Retained Interest at Block A	S\$117,600,000/-
<u><b>Block E</b></u>	
487 carpark lots and a shop unit	S\$12,960,000/-
Pan Pacific Serviced Suites	S\$127,000,000/-
<b>Total :</b>	<b>S\$257,560,000/-</b> <b>(Singapore Dollars Two Hundred Fifty-Seven Million Five Hundred And Sixty Thousand)</b>

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



Poh Kwee Eng (Ms)  
Executive Director  
Head of Valuation, SEA  
BSc (Est Mgt) FSISV  
(Appraiser's Licence No: AD041-2003168D)

Date : 21 May 2013  
Our Ref : PKE:CT:ao:1305383

## **LIMITING CONDITIONS**

This property Valuation and Report has been prepared subject to the following limiting conditions:-

### **VALUATION BASIS**

Our valuation is made on the basis of Market Value. This is intended to mean the best price at which the sale of an interest in the property would have been completed unconditionally for cash consideration on the date of valuation, assuming:

- a) a willing seller;
- b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
- c) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- d) that both parties to the transaction had acted knowledgeably, prudently and without compulsion.

No allowance are made for any expenses or realisation or for taxation which might arise in the event of a disposal. Our valuation assumes that as at the date of valuation, the property is free and clear of all mortgages, encumbrances and other outstanding premiums, charges and liabilities.

Values are reported in Singapore Currency.

### **CONFIDENTIALITY**

Our Valuation and Report is confidential to the party to whom it is addressed and to their professional advisers for the specific purpose to which they refer. The valuer disclaims all responsibility and will accept no liability to any other party. Neither the whole, nor any part, nor reference thereto may be published in any document, statement or circular, nor in any communication with third parties, without our prior written consent of the form and context in which it will appear.

### **SOURCE OF INFORMATION**

Where it is stated in the report that information has been supplied to the valuer by the sources listed, this information is believed to be reliable, but the valuer will accept no responsibility if this should prove not to be so. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with relevant government authorities.

### **TENANTS**

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

### **TOWN PLANNING AND OTHER STATUTORY REGULATIONS**

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plan (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road improvements. If assurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been or will be issued with a Certificate of Statutory Completion by the competent authority.

### **STRUCTURAL SURVEYS**

Unless expressly instructed, we do not carry out a structural survey, nor do we test the services. Whilst any defects or items of disrepair which we note during the course of our inspection will be reflected in our valuations, we are not able to give any assurance in respect of rot, termites, or past infestation or other hidden defects.

### **SITE CONDITIONS**

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions, and the services, for any new development. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

### **MAXIMUM LIABILITY**

Our maximum liability to the client relating to our services rendered (regardless of action whether in contract, negligence or otherwise) shall be limited to fees paid for engaging our services. Under no circumstances will be liable for consequential, incidental, punitive or special losses, damage or expenses (including opportunity costs and loss of profits) despite being advised of their possible existence.

### **ATTENDANCE IN COURT**

The valuer is not required to give testimony or to appear in court by reason of this report unless specific arrangement has been made therefor.



Our Ref: PKE:CT:ao:1305383-01

3 June 2013

The Board of Directors  
Pan Pacific Hotels Group Limited  
101 Thomson Road #33-00  
United Square  
Singapore 307591

Dear Sirs

**RE : 7500A BEACH ROAD #01-345/346 THE PLAZA  
SINGAPORE 199591**

---

The certificate has been prepared for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by UOL Group Limited for the Company.

In accordance with your recent instructions to carry out a valuation of the property, we confirm that we have inspected the property and made relevant searches and have obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the subject property as at 31 March 2013.

The term "Market Value" as used herein is intended to mean the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration, assuming :-

- a) a willing seller;
- b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of price and terms for the completion of the sale;
- c) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- d) that both parties to the transaction had acted knowledgeably, prudently and without compulsion."

Our valuations have been made on the assumption that the owner sells the property on the open market without the benefit of a deferred term contract, joint venture, sale & leaseback or any similar arrangement which could affect the value of the property.

.../Page 2

3 June 2013

No allowances have been made in our valuation for any charges, mortgages or amounts owing on the property nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the property is free from encumbrances, restrictions or other outgoings of an onerous nature which would affect its value, other than those which have been indicated to us.

Information as to tenure, floor area and ownership is obtained from our searches carried out at the Singapore Land Registry.

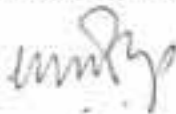
Our valuation contained in this report represents our unbiased professional opinion and conclusion. We wish to confirm that we have no present or prospective interest in the property which is the subject of this report and have no personal interest or bias with respect to any of the parties involved in this Offer. Our compensation is not contingent upon the report of a pre-determined value that favours the cause of any party involved in the Offer, the attainment of a stipulated result or the occurrence of a subsequent event (such as the recommendation by the independent directors of Pan Pacific Hotels Group Limited as to whether to accept the Offer).

We were not instructed to carry out structural survey of the buildings, or to test any of the services, but we have reflected in our valuation, where necessary, any items of disrepair which we noticed during the course of our inspection. We are not, however, able to report that the buildings are free of rot, infestation or any other defect.

Neither the whole of this Certificate, nor any part, nor any reference thereto, may be published in any document, statement or circular (except for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by UOL Group Limited for the Company), nor in any communication with third parties, without our prior written approval of the form and context in which it will appear.

Finally and in accordance with our normal practice, we confirm that this Valuation Certificate is for the use only of the party to whom it is addressed and no responsibility whatsoever is accepted to any third party.

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



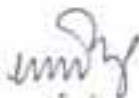
Carolyn Teo  
Director, Valuation  
BSc (Est Mgt) Hons MSISV  
(Appraiser's Licence No. AD041-2009502A)

Encl.

## VALUATION SUMMARY

<b>Property</b>	: 7500A Beach Road #01-345/346 The Plaza Singapore 199591
<b>Legal Description</b>	: Lot U1254A Town Subdivision 13.
<b>Strata Floor Area</b>	: 36.0 sq.m.
<b>Tenure</b>	: 99 years commencing from 3 September 1968.
<b>Registered Proprietor</b>	: Plaza Pacific Services Apartment Pte Ltd (now known as Parkroyal Serviced Residences Pte. Ltd.)
<b>Master Plan Zoning (2008 Edition)</b>	: The subject site is zoned 'Commercial'.
<b>Brief Description</b>	<p>: The subject property is a shop unit located on the 1<sup>st</sup> storey of The Plaza (Block A).</p> <p>Block A is a 32-storey Tower Block located behind PARKROYAL on Beach Road, housing shops, hotel function rooms and restaurants from the Basement 1 to the 3<sup>rd</sup> storey (retail podium), offices from the 4<sup>th</sup> to the 16<sup>th</sup> storey and serviced/residential apartments on the 18<sup>th</sup> to 32<sup>nd</sup> storey. The building was completed in 1978/1979.</p> <p>We were informed that the subject property is owner-occupied.</p>
<b>Market Value as at 31 March 2013</b>	: S\$550,000/- (Singapore Dollars Five Hundred And Fifty Thousand).

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



Carolyn Teo  
Director, Valuation  
BSc (Est Mgt) Hons MSISV  
(Appraiser's Licence No. AD041-2009502A)

Date : 3 June 2013  
Our Ref : PKE:CT:ao:1305383-01



## LIMITING CONDITIONS

This property Valuation and Report has been prepared subject to the following limiting conditions:-

### VALUATION BASIS

Our valuation is made on the basis of Market Value. This is intended to mean the best price at which the sale of an interest in the property would have been completed unconditionally for cash consideration on the date of valuation, assuming:

- a) a willing seller;
- b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
- c) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- d) that both parties to the transaction had acted knowledgeably, prudently and without compulsion.

No allowance are made for any expenses or realisation or for taxation which might arise in the event of a disposal. Our valuation assumes that as at the date of valuation, the property is free and clear of all mortgages, encumbrances and other outstanding premiums, charges and liabilities.

Values are reported in Singapore Currency.

### CONFIDENTIALITY

Our Valuation and Report is confidential to the party to whom it is addressed and to their professional advisors for the specific purpose to which they refer. The valuer disclaims all responsibility and will accept no liability to any other party. Neither the whole, nor any part, nor reference thereto may be published in any document, statement or circular, nor in any communication with third parties, without our prior written consent of the form and context in which it will appear.

### SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied to the valuer by the sources listed, this information is believed to be reliable, but the valuer will accept no responsibility if this should prove not to be so. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with relevant government authorities.

### TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

### TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plan (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road improvements. If assurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been or will be issued with a Certificate of Statutory Completion by the competent authority.

### STRUCTURAL SURVEYS

Unless expressly instructed, we do not carry out a structural survey, nor do we test the services. Whilst any defects or items of disrepair which we note during the course of our inspection will be reflected in our valuations, we are not able to give any assurance in respect of rot, termite, or past infestation or other hidden defects.

### SITE CONDITIONS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions, and the services, for any new development. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

### MAXIMUM LIABILITY

Our maximum liability to the client relating to our services rendered (regardless of action whether in contract, negligence or otherwise) shall be limited to fees paid for engaging our services. Under no circumstances will be liable for consequential, incidental, punitive or special losses, damage or expenses (including opportunity costs and loss of profits) despite being advised of their possible existence.

### ATTENDANCE IN COURT

The valuer is not required to give testimony or to appear in court by reason of this report unless specific arrangement has been made therefor.

Our Ref: NC:LSW/rs.3.318-1306027

6 June 2013

The Board of Directors  
Pan Pacific Hotels Group Limited  
101 Thomson Road #33-00  
United Square  
Singapore 307591

Dear Sirs:

**RE : 133 NEW BRIDGE ROAD #24-09/10, CHINATOWN POINT, SINGAPORE 059413**

The certificate has been prepared for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by UOL Group Limited for the Company.

In accordance with your recent instructions to carry out a valuation of the property, we confirm that we have inspected the property and made relevant searches and have obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the subject property as at 31 March 2013.

The term "Market Value" as used herein is intended to mean the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration, assuming :-

- a) a willing seller;
- b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of price and terms for the completion of the sale;
- c) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- d) that both parties to the transaction had acted knowledgeably, prudently and without compulsion."

Our valuations have been made on the assumption that the owner sells the property on the open market without the benefit of a deferred term contract, joint venture, sale & leaseback or any similar arrangement which could affect the value of the property.

No allowances have been made in our valuation for any charges, mortgages or amounts owing on the property nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the property is free from encumbrances, restrictions or other outgoings of an onerous nature which would affect its value, other than those which have been indicated to us.

Information as to tenure, floor area and ownership is obtained from our searches carried out at the Singapore Land Registry.

.../Page 2

Our valuation contained in this report represents our unbiased professional opinion and conclusion. We wish to confirm that we have no present or prospective interest in the property which is the subject of this report and have no personal interest or bias with respect to any of the parties involved in this Offer. Our compensation is not contingent upon the report of a pre-determined value that favours the cause of any party involved in the Offer, the attainment of a stipulated result or the occurrence of a subsequent event (such as the recommendation by the independent directors of Pan Pacific Hotels Group Limited as to whether to accept the Offer).

We were not instructed to carry out structural survey of the buildings, or to test any of the services, but we have reflected in our valuation, where necessary, any items of disrepair which we noticed during the course of our inspection. We are not, however, able to report that the buildings are free of rot, infestation or any other defect.

Neither the whole of this Certificate, nor any part, nor any reference thereto, may be published in any document, statement or circular (except for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by UOL Group Limited for the Company), nor in any communication with third parties, without our prior written approval of the form and context in which it will appear.

Finally and in accordance with our normal practice, we confirm that this Valuation Certificate is for the use only of the party to whom it is addressed and no responsibility whatsoever is accepted to any third party.

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


  
Nicholas Cheng  
Executive Director, Valuation  
BSc (Est Mgt) MSISV  
Appraiser's Licence No: AD041-2004055B)

Encl.

## VALUATION SUMMARY

<b>Property</b>	: 133 New Bridge Road #24-09/10 Chinatown Point Singapore 059413
<b>Legal Description</b>	: Lot U1206C Town Subdivision 6.
<b>Strata Floor Area</b>	: 223.0 sq.m.
<b>Tenure</b>	: 99 years commencing from 12 November 1980.
<b>Registered Proprietor</b>	: Hotel Plaza Property (Singapore) Pte. Ltd.
<b>Master Plan Zoning (2008 Edition)</b>	: The subject site is zoned 'Commercial'.
<b>Brief Description</b>	: The subject property is an office unit located on the 24 <sup>th</sup> storey of Chinatown Point.  Chinatown Point is mixed development comprising two 5-storey semi-circular podium block and a 25-storey slab block with 2 basements. The retail component is located on the 1 <sup>st</sup> storey to 5 <sup>th</sup> storey. The offices are located from the 8 <sup>th</sup> storey to 25 <sup>th</sup> storey. Covered carpark lots are available on the 1 <sup>st</sup> and 2 <sup>nd</sup> basements of the podium block. Vertical access within the development is by means of 10 passengers' lifts, 3 service lifts, 20 sets of escalators and numerous staircases. Fire protection system include fire alarm system, fire sprinklers and hose reels.  We were informed that the subject property is owner-occupied.
<b>Market Value as at 31 March 2013</b>	: S\$4,600,000/- (Singapore Dollars Four Million And Six Hundred Thousand).

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

  
Nicholas Cheng  
Executive Director, Valuation  
BSc (Est Mgt) MSISV  
(Appraiser's Licence No: AD041-2004055B)

Date : 6 June 2013  
Our Ref : NC.LSW.rs:1306027



## LIMITING CONDITIONS

This property Valuation and Report has been prepared subject to the following limiting conditions:-

### VALUATION BASIS

Our valuation is made on the basis of Market Value. This is intended to mean the best price at which the sale of an interest in the property would have been completed unconditionally for cash consideration on the date of valuation, assuming:

- a) a willing seller;
- b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
- c) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- d) that both parties to the transaction had acted knowledgeably, prudently and without compulsion.

No allowance are made for any expenses or realisation or for taxation which might arise in the event of a disposal. Our valuation assumes that as at the date of valuation, the property is free and clear of all mortgages, encumbrances and other outstanding premiums, charges and liabilities.

Values are reported in Singapore Currency.

### CONFIDENTIALITY

Our Valuation and Report is confidential to the party to whom it is addressed and to their professional advisors for the specific purpose to which they refer. The valuer disclaims all responsibility and will accept no liability to any other party. Neither the whole, nor any part, nor reference thereto may be published in any document, statement or circular, nor in any communication with third parties, without our prior written consent of the form and context in which it will appear.

### SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied to the valuer by the sources listed, this information is believed to be reliable, but the valuer will accept no responsibility if this should prove not to be so. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with relevant government authorities.

### TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

### TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plan (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road improvements. If assurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been or will be issued with a Certificate of Statutory Completion by the competent authority.

### STRUCTURAL SURVEYS

Unless expressly instructed, we do not carry out a structural survey, nor do we test the services. Whilst any defects or items of disrepair which we note during the course of our inspection will be reflected in our valuations, we are not able to give any assurance in respect of rot, termite, or past infestation or other hidden defects.

### SITE CONDITIONS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions, and the services, for any new development. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

### MAXIMUM LIABILITY

Our maximum liability to the client relating to our services rendered (regardless of action whether in contract, negligence or otherwise) shall be limited to fees paid for engaging our services. Under no circumstances will be liable for consequential, incidental, punitive or special losses, damage or expenses (including opportunity costs and loss of profits) despite being advised of their possible existence.

### ATTENDANCE IN COURT

The valuer is not required to give testimony or to appear in court by reason of this report unless specify arrangement has been made therefor.



DTZ Neave Te Leung  
Property Consultants Sdn Bhd (MCA)  
Suite 11.01 Level 11A Menara Citybank  
111, Jalan Ampang, 50450 Kuala Lumpur  
Malaysia  
Tel : +603 2060 3125  
Fax : +603 2141 1019

[www.dtz.com.my](http://www.dtz.com.my)

Our Ref: DTZ13/PG/480(2)/ma

21 May 2013

**THE BOARD OF DIRECTORS**

Pan Pacific Hotels Group Limited  
101 Thomson Road  
#33-00 United Square  
Singapore 307591

Dear Sirs,

**RE : CERTIFICATE OF VALUATION OF A 5-STAR BEACHFRONT RESORT HOTEL IDENTIFIED AS PARKROYAL PENANG RESORT ERECTED ON GERAN 59274 AND GERAN 59275, LOT NOS 468 AND 469 RESPECTIVELY, SECTION 1, TOWN OF BATU FERINGGHI, DISTRICT OF TIMOR LAUT, STATE OF PULAU PINANG  
(PARKROYAL PENANG RESORT, BATU FERINGGHI BEACH, 11100 PENANG, MALAYSIA)**

The certificate has been prepared for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by UQ. Group Limited for the Company.

We confirm that we have inspected the property, made relevant local searches and enquiries and obtained such information as we consider necessary for the purpose of providing you with our opinion of the market value as at 31 March 2013.

The Market Value as defined herein is "the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

Our valuation is been made on the assumption that the owner sells the property on the open market without the benefit of a deferred term contract, joint venture, sale & leaseback or any similar arrangement which could affect the values of the property.

21 May 2013

In assessing the value of the subject property, we have adopted the Discounted Cash Flow Method of Valuation in arriving at the Market Value of the PARKROYAL Penang Resort.

We have also cross-checked our valuation by the Comparison Method of valuation whereby we have compare the subject property to sales of comparable property in the vicinity and elsewhere in Penang.

A summary of our valuation together with a brief description of the subject property are appended to this Valuation Certificate.

No allowances have been made in our valuation for any charges, mortgages or amounts owing neither on the property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the property are free from encumbrances, restrictions or other outgoings of an onerous nature which would affect their values, other than those which have been indicated to us.

Information as to tenure, site area and ownership is obtained from our searches carried out at the Registry of Land Titles, Pulau Pinang. We have also relied on information provided by the company particularly in relation to matters such as occupancy rate, average room rate as well as other related information.

We were not instructed to carry out structural survey of the buildings, nor to test any of the services, but we have reflected in our valuation, where necessary, any items of disrepair which we noticed during the course of our inspection. We are not, however, able to report that the buildings are free of rot, infestation or any other defect.

Neither the whole of this Certificate, nor any part, nor any reference thereto, may be published in any document, circular or statement, nor in any communication with third parties, without our prior written approval of the form and context in which it will appear.

Finally and in accordance with our normal practice, we confirm that this Valuation Certificate is for the use only of the party to whom it is addressed and no responsibility whatsoever is accepted to any third party.

For and on behalf of  
**DTZ NAWAWI TIE LEUNG PROPERTY CONSULTANTS SDN BHD**



**Sr DANIEL MA JEN YI, MRSA**  
Registered Valuer (V-759)

Enc:





## VALUATION SUMMARY

<b>1. Property</b>	<ul style="list-style-type: none"> <li>A 5 star beachfront resort hotel identified as PARKROYAL Penang Resort</li> </ul>
<b>Title / Lot Nos (subject site)</b>	<ul style="list-style-type: none"> <li>Geran 59274 and Geran 59275, Lot Nos 468 and 469 respectively, Section 1, Town of Batu Ferringhi, District of Timur Laut, State of Pulau Pinang</li> </ul>
<b>Total Land Area</b>	<ul style="list-style-type: none"> <li>145,790 square metres (3,679 hectares or 4,149 acres)</li> </ul>
<b>Tenure</b>	<ul style="list-style-type: none"> <li>Freehold (grant-in-perpetuity)</li> </ul>
<b>Registered Proprietor (for retained interest)</b>	<ul style="list-style-type: none"> <li>PRESIDENT HOTEL SON BHD</li> </ul>
<b>Master Plan Zoning</b>	<ul style="list-style-type: none"> <li>Tourism related development</li> </ul>
<b>Brief Description (subject development)</b>	<p>Briefly, The building is constructed basically of reinforced concrete framework with plastered brick walls/timber/glass panel walls, concrete ground and upper floors and a reinforced concrete flat roof. The facade of the building is generally finished with painted plastered brick walls and the openings are secured with aluminium framed tinted glass basement windows.</p> <p>The entrances on the ground floor are generally of timber framed doorways whilst the fire escape staircases are secured with fire rated doors.</p> <p>The internal partitions are generally of plastered brick walls finished with textured wall paper incorporating timber panels except for the common toilets which are finished with ceramic wall tiles up to ceiling height whilst the offices and backrooms are generally of aluminium framed semi-glazed gypsum board partition.</p> <p>Ceilings are mainly of gypsum boards, concrete and plaster ceiling with inset lighting.</p>

Vertical access within the building is facilitated by three (3) main passenger lifts and three (3) service lifts complemented by six (6) reinforced concrete staircases located at strategic positions. Centralised air conditioning is provided for the whole building except for some portions of the basement floor. Telecommunications and fire-fighting system such as smoke and heat detectors, sprinklers, manual break glass fire alarms, hose reels, fire rated exit doors and portable fire extinguishers are available within the building, apart from modern plumbing, sanitary and electrical systems.

Apart from providing accommodation facilities, the resort is also well equipped for holding banquets, conferences and seminars. The resort has a total of four (4) function rooms (i.e. Serai, Lada, Hala & Pandan), a large conference room (Jintan 1) which can be partitioned into three (3) smaller rooms (known as Jintan, Lawang & Pala) and a grand ballroom (Andaman Grand) which can also be partitioned into two (2) smaller ballrooms. The grand ballroom has a seating capacity of three hundred fifty (350) persons for banquets whilst the smaller function rooms have seating capacities of between fifty (50) and two hundred (200) persons depending on seating arrangements. In addition, the hotel owned spa namely St Gregory is also available at the resort as well as business centre and gymnasium facilities.

The resort also provides a wide array of recreational facilities which include a tennis court and water/beach based activities such as beach volleyball, sailing, para sailing, canoeing, jet skis, wind surfing and swimming.

Some restaurants / F&B outlets located in the hotel include Javana Lounge and Bar, Tamarind Brasserie Coffee House, Cool Bananas (Poolside Cafe) and Tilius Restaurant.

Property to be valued : PARKROYAL Penang Resort

Gross Floor Area : 31,502 square metres (or 339,081 square feet)

Market Value as at 31 March 2013 : RM159,500,000/- (Ringgit Malaysia One Hundred Fifty-Nine Million And Five Hundred Thousand Only)

for and on behalf of

**DTZ NAWAWI TIE LEUNG PROPERTY CONSULTANTS SDN BHD**

Sr DANIEL MA JEN YI, *MSA*  
Registered Valuer (V-759)

Date : 21 May 2013  
Our Ref : DTZ13/PG/M80121/MA

Our Ref: DTZ/17/WP/48011/har

21 May 2013

**THE BOARD OF DIRECTORS**  
Pan Pacific Hotels Group Limited  
101 Thomson Road  
#23 00 United Square  
Singapore 307591

Dear Sirs

**RE : CERTIFICATE OF VALUATION OF A TWENTY-THREE (23) STOREY HOTEL WITH A THREE (3) BASEMENT LEVELS INCORPORATING A SIX (6) STOREY PODIUM OFFICE BLOCK AND EIGHT (8) STOREY CARPARK BUILDING ERECTED ON LOT NOS. 731, 818, 819, 834, 1132, 1133, 1134, 1135, 1136, 1137, 1138 AND 1240 (INCLUSIVE), SECTION 67, TOWN AND DISTRICT OF KUALA LUMPUR, STATE OF WILAYAH PERSEKUTUAN KUALA LUMPUR (THE PARKROYAL HOTEL KUALA LUMPUR AND PRESIDENT HOUSE, JALAN SULTAN ISMAIL, 50250 KUALA LUMPUR)**

The certificate has been prepared for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by JOL Group Limited for the Company.

We confirm that we have inspected the property, made relevant local searches and enquiries and obtained such information as we consider necessary for the purpose of providing you with our opinion of the market value as at 31 March 2013.

The Market Value as defined herein is "the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

Our valuations have been made on the assumption that the owner sells the properties on the open market without the benefit of a deferred term contract, joint venture, sale & leaseback or any similar arrangement which could affect the values of the property.

21 May 2013

In assessing the value of the subject property, we have adopted the Discounted Cash Flow Method of Valuation in arriving at the Market Value of the PARKROYAL Hotel Kuala Lumpur and the President House.

We have also cross-checked our valuation by the Comparison Method of valuation whereby we have compare the subject property to sales of comparable property in the vicinity and elsewhere in Penang.

A summary of our valuation together with a brief description of the subject property are appended to this Valuation Certificate.

No allowances have been made in our valuation for any charges, mortgages or amounts owing neither on the property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the property are free from encumbrances, restrictions or other outgoings of an onerous nature which would affect their values, other than those which have been indicated to us.

Information as to tenure, site area and ownership is obtained from our searches carried out at the Registry of Land Titles, Wilayah Persekutuan. We have also relied on information provided by the company particularly in relation to matters such as occupancy rate, average room rate as well as other related information.

We were not instructed to carry out structural survey of the buildings, or to test any of the services, but we have reflected in our valuation, where necessary, any items of disrepair which we noticed during the course of our inspection. We are not, however, able to report that the buildings are free of rot, infestation or any other defect.

Neither the whole of this Certificate, nor any part, nor any reference thereto, may be published in any document, circular or statement, nor in any communication with third parties, without our prior written approval of the form and context in which it will appear.

Finally and in accordance with our normal practice, we confirm that this Valuation Certificate is for the use only of the party to whom it is addressed and no responsibility whatsoever is accepted to any third party.

For and on behalf of

**DTZ NAWAWI TIE LEUNG PROPERTY CONSULTANTS SDN BHD**

**Sr DANIEL MA JEN YI (MR)**

Registered Valuer (V-759)

Encl.

## VALUATION SUMMARY

1. **Property** : A twenty-three (23) storey hotel (426 rooms) with three (3) basement levels incorporating a six (6) storey podium office block and an eight (8) storey car park building (The Parkroyal Hotel Kuala Lumpur and President House)

Title / Lot Nos  
(subject site)

Title No.	Lot No.	Title No.	Lot No.
Geran 29672	731	Geran 204	1134
Geran 28343	818	Geran 205	1135
Geran 28344	819	Geran 206	1136
Geran 28348	834	Geran 207	1137
Geran 202	1132	Geran 208	1138
Geran 203	1133	Pajakan Negeri (WP) 10034	1240

Section 17, Town Kuala Lumpur District of Kuala

Lumpur, Wilayah Persekutuan Kuala Lumpur

- Total Land Area (12 Lots)** : 7,165,764 sq.m. (approximately 7,132 acres)

- Tenure** : Geran title Lots except for Lot 1240  
Freehold (grant in perpetuity)

Pajakan Negeri (PN) (Lot 1240 – car park block;  
99 year leasehold interest expiring on 6<sup>th</sup> January 2080,  
having an unexpired term of approximately 67 years

- Registered Proprietor  
(for retained interest)** : PRESIDENT HOTEL SDN BHD

**Master Plan Zoning  
(2008 Edition)**

1. The Document of Titles does not stipulate any specific purpose for the subject property except for the car park building i.e. Lot No. 1240 which is expressly stated for use as a car park building. Our enquiries at the Planning Department of Dewan Bandaraya Kuala Lumpur revealed that the subject property is zoned for commercial use with plot ratio of 1.65 for hotel development and 1.52 for other commercial development.

**Brief Description  
(subject development)**

**THE PARKROYAL KUALA LUMPUR (Hotel and Facilities)**

Briefly, the building is constructed of reinforced concrete framework and floors, and painted plastered brickwalls supporting a reinforced concrete flat roof. The facade of the building is generally finished with painted plastered brickwalls and the openings are secured with aluminium framed tinted glass casement windows.

The entrances are generally secured with frameless dual-leaf swing glass doors and automatically controlled aluminium framed sliding glass doors whilst the fire escape staircases are secured with one-hour fire rated doors.

The internal partitions are generally of plastered brickwalls finished with textured wall paper incorporating timber panels except for the common toilets which are finished with ceramic wall tiles up to ceiling height whilst the offices and backrooms are generally of aluminium framed semi-glazed gypsum board partitions.

The ceilings are generally of decorative fibrous cement plaster boards with cornices and concealed lightings, with the exception to the offices, backrooms and common areas which are generally of suspended fibreboards.

Vertical access is available via escalators, service lifts, passenger lifts and reinforced concrete staircases strategically located within the building.

A pair of escalators serves from Basement 1 to the Second Floor of the hotel whilst the lobby area is facilitated by three (3) passenger lifts (Mitsubishi), each with sixteen (16) person capacity. The building is also supplemented by three (3) service lifts, each with





eight (8) person capacity. There is also a glass double type lift serving the new (Orchid Club) wing. A reinforced concrete staircase, which is situated at a strategic point within the building, also provides easy access between the first and sixth floors. In addition, there is a pair of reinforced concrete fire escape staircases situated at the lift lobby for easy access between the various floor levels and for emergency purposes.

The third to fifth floors of the hotel block and part of the podium block (part of President House) was renovated in 2008 to accommodate an additional seventy-eight (78) guest rooms with a 7,000 sq ft landscaped indoor garden. The hotel owned St. Gregory Spa, swimming pool and fitness centre are all located on the sixth floor. The refurbished Orchid Club Lounge with indoor and outdoor seating is also located on this floor.

#### **THE PRESIDENT HOUSE (office and retail)**

The President House is located within the six (6) storey podium block of the main building.

Basically, the President House is constructed of reinforced concrete framework and floors supporting a reinforced concrete flat roof. The facade of the building is generally finished with painted plastered brickwalls and the openings are secured with aluminium framed tinted glass casement windows.

The main entrance is secured with swing glass doors whilst the fire escape staircases are secured with fire-rated doors.

The internal partitions are generally of painted plastered brickwalls whilst those for the offices are generally of gypsum boards. The flooring in the common areas and lift lobbies are finished with vinyl tiles and ceramic tiles respectively. The ceilings are generally of suspended fibreboards with concealed lightings.

The internal wall finishes are generally of painted plastered brickwalls except for the common toilets which are lined with ceramic tiles up to ceiling height.

Vertical access within the building is facilitated by passenger lifts and reinforced concrete staircases.



strategically located within the building.

The lobby area is provided with two (2) passenger lifts, each with 13 person capacity, whilst another passenger lift, situated near the side entrance to the PARKROYAL Hotel, provides for easy access to the third and fourth floor of the office podium block. In addition, there are three (3) flights of reinforced concrete fire escape staircases situated at the lift lobby and at both ends of the podium block.

**Properties to be valued**

1. Parkroyal Hotel (including the 8-storey car park building incorporating a roof top SPA)
2. President House

**Floor Areas**

Parkroyal Hotel (including the 8-storey car park building incorporating a roof top SPA)	N/A
President House (lettable Area)	3,805.92 sq m (40,996 sq ft)

**Market Values as at 31 March 2013**

1. RM260,800,000/- (Ringgit Malaysia: Two Hundred Sixty Million And Eight Hundred Thousand Only)

This above value can be apportioned as follows:-

- a) The PARKROYAL KUALA LUMPUR (including car park building and SPA) RM23,100,000/-
- b) The President House (Retail & office) RM 27,800,000/-
- Total** RM260,800,000/-

for and on behalf of  
**DTZ NAWAWI TIE LUENG PROPERTY CONSULTANTS SDN BHD**

**Sr DANIEL MA-JEN YI, MR. SM**  
Registered Valuer (V 750)

Date : 21 May 2013  
Our Ref : DTZ13/WP/480/L/1414





Your Ref : -  
Our Ref : TKC:LLH:aa:130180

The Board of Directors  
Pan Pacific Hotels Group Limited  
101 Thomson Road #33-00  
United Square  
Singapore 307591

May 31, 2013

Dear Sirs,

**VALUATION OF 1 UPPER PICKERING STREET  
ONE UPPER PICKERING SINGAPORE 058288 (THE "PROPERTY")**

We have been instructed by Pan Pacific Hotels Group Limited to assess the Market Value of the abovementioned Property (the "Property") as at March 31, 2013, without taking into consideration the 30-year lease agreement between Hotel Plaza Property (Singapore) Pte Ltd and Attorney General Chambers (AGC). We confirm that we have inspected the Property and conducted relevant enquiries and investigations as we considered necessary for the purposes of providing you with our opinion of the Market Value of the Property.

We have prepared a valuation summary in accordance with the instructions of the client. The certificate has been prepared for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by UOL Group Limited for the Company.

Our valuation is prepared in accordance with our 'General Principles Adopted in the Preparation of Valuations and Reports', a copy of which is attached.

Our valuation of the Property is our opinion of the market value which we would define as intended to mean "the best price at which the sale of an interest in a Property might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation, assuming :

- (a) a willing seller;
- (b) that, prior to the date of valuation, there had been a reasonable period having regard to the nature of the property and the state of the market for the property marketing of the interest, for the agreement of price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
- (d) that no account is taken of any additional bid by a purchaser with a special interest; and
- (e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion".

.../Page 2

**Pan Pacific Hotels Group Limited**  
- 1 Upper Pickering Street  
One Upper Pickering  
Singapore 058288 (the "Property")

**May 31, 2013**

We have relied on the information provided by Hotel Plaza Property (Singapore) Pte Ltd on matters such as land area, tenure, gross floor area, lettable area, tenancy details, etc. All information provided is treated as correct and Jones Lang LaSalle accepts no responsibility for subsequent changes in information and reserve the right to change our opinion of value if any other information provided were to materially change.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property, nor for any expenses or taxation which may be incurred in effecting a sale. It is assumed that the Property is free from, except the existing lease and occupancy arrangement, any major or material encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

We have not carried out investigations on site in order to determine the suitability of ground conditions, nor have we undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

In arriving at our opinion of value, we have considered the prevailing market conditions, especially those pertaining to the office sector of the property market. The valuation methods adopted to arrive at our opinion of values are the Discounted Cash Flow Analysis and Direct Capitalisation Approach.

A copy of the valuation certificate is attached.

This valuation summary is for the use of Pan Pacific Hotels Group Limited.

We have prepared this valuation summary and specially disclaim liability to any person in the event of any omission from or false or misleading statement, other than in respect of the information provided within this summary. We do not make any warranty or representation as to the accuracy of the information other than as expressly made or given in this summary.



**Pan Pacific Hotels Group Limited**  
- 1 Upper Pickering Street  
One Upper Pickering  
Singapore 058288 (the "Property")

**May 31, 2013**

Jones Lang LaSalle has relied upon the property data supplied by the Hotel Plaza Property (Singapore) Pte Ltd which we assume to be true and accurate. Jones Lang LaSalle takes no responsibility for inaccurate data supplied by the client and subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the Property and are not a related corporation of nor do we have a relationship with the Manager, advisers or other party/parties whom Pan Pacific Hotels Group Limited and its nominees is contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that our valuers undertaking this valuation is authorized to practise as valuers and have the necessary expertise and experience in valuing similar types of properties.

Faithfully,

  
\_\_\_\_\_  
Tan Keng Chiam  
B.Sc. (Est. Mgt.) MSISV  
AD041-2004796D  
Regional Director  
JONES LANG LASALLE

Enc

## VALUATION SUMMARY


Property	: 1 Upper Pickering Street One Upper Pickering Singapore 058288 (the "Property")
Legal Description (for the whole development)	: Lot 504M Town Subdivision 6.
Land Area (for the whole development)	: 6,958.9 sq.m.
Tenure	: 99 years lease commencing from January 14, 2008
Brief Description of Property	: A 13-storey office building with a roof terrace and plant levels within a hotel and office development. There are 21 carpark lots for the office building.
Gross Floor Area (as provided by Hotel Plaza Property (Singapore) Pte Ltd)	: Approximately 8,447.7 sq.m.
Lettable Area (as provided by Hotel Plaza Property (Singapore) Pte Ltd)	: Approximately 8,088.72 sq.m.
Annual Value (2013)	: The property tax has not been raised yet.
Master Plan Zoning (2008 Edition)	: Hotel with a plot ratio of 4.2

	Office	Carpark
Capitalization Rate	3.75%	6.5%
Terminal Yield	4%	6.75%
Discount Rate	8%	8%

Methods of Valuation	: Capitalisation Approach and Discounted Cashflow Approach
Market Value as at March 31, 2013	: S\$175,800,000/- (Singapore Dollars One Hundred Seventy- Five Million And Eight Hundred Thousand)

The assessed value is without taking into consideration the 30-year lease agreement between Hotel Plaza Property (Singapore) Pte Ltd and Attorney General Chambers (AGC).

  
Tan Keng Chiam  
B.Sc. (Est. Mgt.) MSISV  
AD041-2004796D  
Regional Director  
JONES LANG LASALLE

TKC:LLH:ac:130180  
May 31, 2013 





JONES LANG  
LASALLE

仲量聯行

#### GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) **VALUATION STANDARDS**

All work are carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions.

2) **VALUATION BASIS**

Our valuations are made on the basis of Market Value, defined by the SISV as follows:

*"Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion."*

3) **CONFIDENTIALITY**

Our Valuations and Reports are confidential to the party to whom they are addressed or their other professional advisors for the specific purpose(s) to which they refer. No responsibility is accepted to any other parties and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and content in which they will appear.

4) **SOURCE OF INFORMATION**

Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and we shall not be responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities.

5) **DOCUMENTATION**

We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless informed to the contrary, that all documentation is satisfactorily drawn and that good title can be shown and there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have an effect on the value of the interest under consideration.

6) **TOWN PLANNING AND OTHER STATUTORY REGULATIONS**

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plans (DGP) and Written Statements published by the competent authority. Unless otherwise instructed, we do not normally carry out negotiations with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority.

7) **TENANTS**

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the lessees are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8) **STRUCTURAL SURVEYS**

We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or issues of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termites or past infestations or other hidden defects.

9) **SITE CONDITIONS**

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

10) **OUTSTANDING DEBTS**

In the case of buildings whose works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but we are discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

11) **INSURANCE VALUE**

Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

© Copyright Jones Lang LaSalle  
Year 2009



Jones Lang LaSalle Property Consultants Pte Ltd  
9 Raffles Place #39-00 Republic Plaza Singapore 048619  
tel +65 6536 0606 fax +65 6533 2107

Company Reg No. 198004794D  
CEA Licence No. L3007326E

As Client:

Pan Pacific Hotels Group Limited  
101 Thomson Road  
#33-00 United Square  
Singapore 307591

For the attention of the Board of Directors

6 June 2013

Dear Sirs,

**VALUATION SUMMARY**  
**PORTFOLIO OF HOTELS – ASIA PACIFIC**

We are pleased to submit to you our Valuation Summary in respect of the following hotels (each a "Property" and/or a "Hotel", collectively the "Properties" and/or the "Hotels").

Country	City	Name of Property	Type of Asset Valued
Singapore			
	Singapore	PARKROYAL on Beach Road	Hotel
	Singapore	PARKROYAL on Kitchener Road	Hotel
	Singapore	PARKROYAL on Pickering	Hotel
China			
	Suzhou	Pan Pacific Suzhou	Hotel
Myanmar			
	Yangon	PARKROYAL Yangon	Hotel
Vietnam			
	Ho Chi Minh City	PARKROYAL Saigon	Hotel
	Hanoi	Sofitel Plaza Hanoi	Hotel
Australia			
	Perth	Pan Pacific Perth	Hotel
	Parramatta	PARKROYAL Parramatta	Hotel
	Sydney	PARKROYAL Darling Harbour	Hotel

Our valuations assume that the relevant interests in the Properties are wholly owned and we have not been instructed to value the owning company or shares within the company.

**1. Client Brief and Purpose of Valuation**

This summary report is prepared in accordance with our agreed instructions from Pan Pacific Hotels Group Limited (the "Client") to undertake a valuation of the above portfolio (the "Hotels" and/or the "Properties"). Our instructions were confirmed by the Client on 5 June 2013.

We have been instructed to provide the Client with our opinion of the Market Value of the Properties for inclusion in the circular to the shareholders in Pan Pacific Hotels Group Limited (the "Circular").



Attached to this letter are brief summaries of the Properties, including brief Property details and our valuation conclusions (the "Valuation Summaries").

You are aware that we have previously provided comprehensive valuation reports on each of the Properties for the purposes of the Client's annual financial reporting and internal management purposes (the "Full Valuation Reports"). This letter and its attachments (including valuation summaries) do not contain all the information and assumptions which are included in the Full Valuation Reports. We would refer the reader to our Full Valuation Reports which provide descriptive commentaries on the individual Properties and their local markets, in order to gain fuller understanding of the Properties which are the subject of our valuations.

## **2. Basis of Valuation**

Our Valuations are prepared in accordance with the International Valuation Standards Council (IVSC) definition of Market Value and adopted by the Singapore Institute of Surveyors and Valuers (SISV) and the Royal Institution of Chartered Surveyors (RICS), which is:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion".

The Valuation Standards provide interpretive commentaries on the above definition.

Except where stated, our valuations have been prepared in accordance with the RICS Valuation - Professional Standards (incorporating the IVSC International Valuation Standards), the SISV Valuation Standards and Guidelines and our General Principles Adopted in the Preparation of Valuations and Reports (the "General Principles"), which are contained within Appendix II and should be read in conjunction with this letter and the attached Valuation Summaries. In this instance we are acting as external valuers. Your attention is also drawn to the General Assumptions and Limiting Statements set out in Appendix I.

Each valuation comprises the value attributed to the real estate, goodwill and furniture, fittings and equipment used in the operation of the hotel business. Such an assessment excludes the value of stock or credits for payment thereof and assumes all items of furniture, fittings and equipment contained in the Property are unencumbered unless stated to the contrary.

## **3. Valuation Date**

As instructed, the date of the valuation is 31 March 2013 (the "Valuation Date").

The Properties were inspected by us between 23 May 2013 and 3 June 2013. It is assumed that no material change in Property or market conditions occur between the Valuation Date and the date of inspection.

The values assessed herein may change significantly and unexpectedly over a relatively short period and we do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three months from the date of valuation, or in the event of a significant event that may have an effect on value or such earlier date as the Client becomes aware of any factors that may have an effect on value.

#### 4. Qualifications and Assumptions

These valuations are prepared on the basis of the General Principles Adopted in the Preparation of Valuations and Reports, which comprises a list of the major assumptions and limiting conditions under which our opinions are given. These are contained within Appendix II (attached to this letter) and should be read in conjunction with this letter and the Valuation Summary. Other key assumptions are set out in the General Assumptions and Limiting Statements which are contained within Appendix I. It is a condition of the use of this valuation that the recipient of the report accepts these statements.

No allowances have been made of any expenses of realisation, or for taxation (including GST) which might arise in the event of a disposal and the properties have been considered free and clear of all mortgages or other charges which may be secured thereon.

Our valuations herein do not investigate or consider the entity ownership of the Properties, nor do they have regard to any lease or side agreements or leases not registered on the title documents and assume the ownership and operating structure, particularly in respect of any applicable provisions of the existing management agreements where the operator may have rights of first / last offer, would not obstruct the ordinary sale of the Properties. This assumption has been made in the absence of an expert legal interpretation and opinion. As we are not legal experts, we recommend that appropriate expert advice be sought to confirm the validity of this assumption.

##### Special Assumptions

We would also highlight that, in accordance with your instructions, our valuations have been prepared on the basis of certain additional Assumptions and Special Assumptions, as follows:

- We understand that all Properties are currently operated under their respective brands by way of management agreements. With the exception of the Sofitel Plaza Hanoi, we understand that all of the Properties are currently operated by a Pan Pacific entity under either the Pan Pacific or PARKROYAL brands, whilst the Sofitel Plaza Hanoi property is operated under the Sofitel brand by an Accor entity. However, you have requested that we assume that each of the Properties has the benefit of full Vacant Possession.
- Therefore, in accordance with your instructions, in each case, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company and, therefore, that the Property may be available for sale with the benefit of vacant possession of the current management, free of encumbrance by any management agreement.
- In light of the above, we have assumed that a competent hotel operating company would be appointed to manage each Hotel under and internationally recognised brand. In preparing the projections upon which our valuations are based, we have adopted management fees and related expenses in line with prevailing market terms.

##### Additional Assumptions and Special Assumptions adopted in the case of the PARKROYAL on Beach Road

In the case of the PARKROYAL on Beach Road, Singapore, given this Property is part of a mixed-use development, you have requested that we provide our opinion of value of the Hotel component only and that certain refurbishment and reconfiguration works be allowed for, as follows:

- The PARKROYAL on Beach Road Property comprises part of a larger mixed use development known as The Plaza, which includes hotel, office, car park, shopping mall and serviced apartment components under common ownership. The shopping mall component is now closed and was formerly known as the Furniture Mall (the "Furniture Mall"). These elements are in part interconnecting with certain of the hotel facilities housed within the office building. In accordance with your instructions, this valuation is in

respect of the Hotel component only. Therefore, we have made the Special Assumption that those areas comprising the hotel element may be sold independently from the rest of the development (on a strata title basis). Those parts of the development not comprising the Hotel are excluded from our valuation of this Property, and it is only the hotel component which forms the subject Property for the purposes of this report.

- We understand that, given the wider development is under common ownership, the owner is currently converting the former shopping mall (the 'Furniture Mall') into a new meeting and conference facility for the Hotel, whilst converting the Hotel's existing meeting space into offices. In accordance with your instructions, we have made an allowance for the inclusion of the former Furniture Mall into the overall Hotel component and have had regard to its trading potential. The proposed office space created from former meeting rooms will also be included as part of the valuation of the Hotel.

#### Additional Assumptions adopted in the case of the PARKROYAL on Pickering

- The PARKROYAL on Pickering comprises part of a larger mixed use development, which includes hotel, office and shared car park under common ownership. These elements are in part interconnecting. In accordance with your instructions, this valuation is in respect of the hotel component only. Therefore, we have made the specific Assumption that those areas comprising the hotel element may be sold independently from the rest of the development (on a strata title basis). Those parts of the development not comprising the hotel are excluded from this valuation, and it is only the hotel component which forms the subject Property for the purposes of this report.

#### Additional Assumptions adopted in the case of the PARKROYAL Parramatta

- We understand the hotel owner and management are in the process of obtaining a development approval for the extension of the hotel by 90 rooms together with changes to the façade, Porte cochere, restaurant and pool with a plan to commence development in late-2013/14. Our valuation assumes that future trade will not be disturbed due to this future development and does not explicitly consider the future development proposed.

For the avoidance of doubt, these Special Assumptions are in addition to all other Assumptions, Special Assumptions and other qualifications set out in this letter.

## 5. Information and Confidentiality

The Client has provided us with relevant information, including Hotel trading performance upon which we have relied. We have assumed that all such information is correct and complete in all material respects.

Our valuations and Valuation Summaries, which are attached, are based upon material in our possession, some of which was supplied to us by the Client. Whilst due care has been undertaken in the application of that information, its accuracy and completeness cannot be fully verified by Jones Lang LaSalle, and we cannot offer any warranty that factual errors may not have occurred. We would like to be told of any such errors or incorrect assumptions that the Client becomes aware of so that they can be rectified.

Should it be revealed that any of this information is inaccurate or misleading so that its use would materially affect the valuation, Jones Lang LaSalle reserves the right to amend its opinion of value without liability. Jones Lang LaSalle takes no responsibility for any damage or loss by reason of inaccuracy or incorrectness of this report as a result of information provided to us.

This letter contains information of a confidential nature relating to the ownership, management, business and financial performance of the Property and has been supplied to Jones Lang LaSalle for the specific purpose of this valuation.

## 6. Scope of Work and Approach

To accomplish the objectives of this instruction we have:

- Physically inspected the Properties;
- Received information from the Client and made enquiries during the course of our site inspections;
- Made appropriate enquiries about the local markets with relevant authorities; and
- Used Jones Lang LaSalle bespoke computer valuation modelling to prepare our analysis and conclusions.

Our valuations have been undertaken utilising the methods that are mainly considered by potential investors, namely:

- Discounted cash flow (DCF) approach; and
- Capitalisation approach.

The selected valuation criteria used in these approaches have been derived from recent market transactions and the resultant values checked against these transactions on a value per room basis (Direct or Market Comparison Approach).

Please note, our projections of occupancy and average daily rate did not involve the undertaking of a specific market demand study but rather are based on our knowledge and understanding of the local hotel markets and our experience of the operating performance of hotels of similar size and standard.

The cash flow forecasts and value estimates have been prepared having regards to:

- Historical room supply, room demand and average daily rates;
- Emerging trends in the local hotel market; and
- The expected future supply of hotel accommodation in the local market as at the date of our assessment.

The assumptions in respect to future events are our best estimates at the date of preparing the valuations. To the extent that any of the assumptions made are not realised, the indicative cash flow projections and estimates of value may be materially affected.

Our assessments are based upon current as well as expected future conditions as perceived by the market. We do stress that the estimation of future market conditions is a very problematic exercise which at best should be regarded as an indicative assessment of possibilities rather than absolute certainties.

The process of making forward projections involves assumptions regarding a considerable number of variables which are acutely sensitive to changing conditions. To rely upon our valuations, therefore, the reader must be satisfied as to the reasoning behind these future estimates.

## 7. Valuation Methodology

### Hotels

This section briefly summarises Jones Lang LaSalle's approach to the valuation of hotels.

Hotel investments are generally purchased on the basis of future income potential. Past performance provides some guide to the future performance of a hotel, but often new macro-economic factors or local supply issues mean that a fresh view needs to be taken of the performance potential of the hotel.

Generally for hotel properties, we apply both the Capitalisation and the Discounted Cash flow ('DCF') approaches. The DCF approach assesses investment value by providing an explicit measurement of future



expected cash flows. We also utilise an income capitalisation approach as well as direct market comparison on a price per key basis.

#### Discounted Cashflow (DCF)

To arrive at an estimate of the hotel's capital value, we prepare an income and expenditure forecast which is then capitalised using a discounted cash flow model. This forecast represents what we believe a potential purchaser would adopt as being realistic estimates of the hotel's future income potential. This is not necessarily the same as current hotel management may project, but represents what a prospective purchaser might believe is reasonable as a basis for acquisition.

The forecast is prepared for a five or ten-year period. A discount rate is then applied to the first five/ten years of projections. The cash flow in the sixth/eleventh year is capitalised at an assumed capitalisation rate, and deferred at the discount rate, and incorporated to arrive at the total investment figure. The choice of capitalisation rate is selected by reference to historic hotel transaction evidence, yield evidence of other forms of commercial property, market factors and the tenure, age, location and condition of the property. In order to arrive at our discount rate, we take account of long term inflation expectations, and the perceived risk of the operation relative to other properties and the achievement of our cash flow projections. In accordance with our normal practice, we then cross check the valuation against other measures such as the resultant running yields and price per room.

International and domestic purchasers remain concerned with cash flows and with established or achieved trading figures, as well as readily foreseeable income flows. These factors have a strong impact on purchasing decisions and we therefore have regard to the initial and likely returns to an investor/purchaser in the early years.

Having arrived at an estimate of total investment, which we consider reasonable, we then deduct, if appropriate, any capital expenditure, which an investor would require to spend in the foreseeable future.

#### Capitalisation

Capitalisation methodology converts the foreseeable income capacity of the Property into a current capital value by the application of a market/required yield. The income stream used is the projected net operating income after management fees and FF&E Reserve but before interest, taxation, depreciation, and amortisation (EBITDA).

The yield is selected after taking into consideration:

- Demonstrated market yields;
- The physical appeal and quality of the building and its facilities;
- The location, zoning and potential of the underlying freehold or leasehold (as appropriate) land parcel;
- The earnings profile over the last four years (where available);
- Expectations of earnings growth; and
- The suitability of the current operator and terms of the management agreement.

#### Market or Direct Comparison

Direct Comparison with relevant sales has been undertaken in order to check the general value range for the properties. Under this approach, the sale price achieved on a rate per room basis is used to identify a band of value within which the subject hotel is likely to be.

### 8. Pecuniary Interest

You are aware that we have previously provided valuations to the Client for its financial reporting and internal management purposes.



We confirm that we are not a related corporation of the Client and that the Valuers and Jones Lang LaSalle have no economic interest in the Client or the subject Properties that would conflict with the proper valuation of the Properties or could reasonably be regarded as being capable of affecting the Valuers' ability to give an unbiased opinion.

#### 9. Use of Report

In accordance with our standard practice we must state that this valuation and report is for the use of Pan Pacific Hotels Group Limited for inclusion within the Circular. No responsibility or liability is accepted to any third parties and neither the whole nor any part nor any reference thereto may be published in any document, statement or circular nor in communication with third parties without our prior written approval of the form and context in which it will appear.

Notwithstanding the above, where Jones Lang LaSalle consents to the disclosure of this valuation report for the purposes of inclusion in the Circular, such disclosure is approved solely for the purpose of providing information to shareholders or any other interested person. This report does not purport to contain all the information that a potential purchaser or any other interested party may require. It does not take into account the individual circumstances, financial situation, investment objectives or requirements of a potential investor or any other person. It is intended to be used as a guide only and does not constitute advice, including without limitation, investment, tax, legal or any other type of advice.

The valuations stated herein are, in the opinion of Jones Lang LaSalle, the best estimates and should not to be construed as a guarantee or prediction and the valuations are fully dependent upon the accuracy of the assumptions made. Investors and/or potential investors should not rely on any material contained in this report as a statement or representation of fact but should satisfy themselves as to its correctness by such independent investigation as they or their legal or financial advisors see fit after reviewing the valuation report to understand the particular assumptions and methodologies made in the preparation of the valuations and to appreciate the context in which the values are arrived at.

This report includes information provided by third parties. Figures, calculations and other information contained in this report that has been provided to Jones Lang LaSalle by third parties have not been independently verified by Jones Lang LaSalle and Jones Lang LaSalle takes no responsibility for it and subsequent conclusions related to such data.

Jones Lang LaSalle / Jones Lang LaSalle Property Consultants Pte Ltd, its directors, employees, affiliates and representatives shall not be liable (except to the extent that liability under statute or by operation of law cannot be excluded) to any person for any loss, liability, damage or expense arising from or connected in any way with any use of or reliance on this report.

For and on behalf of  
Jones Lang LaSalle Property Consultants Pte. Ltd.  
CEA Licence: L3007326E

Ed Fitch MA MRICS  
Executive Vice President  
Hotels & Hospitality Group

Tan Keng Chiam BSc (Est. Mgt.) MSISV  
AD041-2004796D  
Regional Director

## VALUATION SUMMARY

<b>Property</b>	: PARKROYAL on Beach Road, 7500C Beach Road, Singapore 199591
<b>Tenure / Legal Description</b>	<p>: The legal description of the land is Lot Number 633 in Town subdivision 13, held in Certificate of Title Volume 254 Folio 191.</p> <p>The Hotel is held leasehold for a term of 99 years expiring in September 2067 (54.7 years unexpired). No rent is payable.</p>
<b>Assumed Interest Valued</b>	: Leasehold interest in the Property as a fully equipped operational entity, having regard to trading potential, with the benefit of Vacant Possession.
<b>Location</b>	<p>: The Hotel is located on Beach Road approximately two kilometres to the north east of the Singapore Central Business District and around two kilometres to the east of the Orchard Road retail/entertainment precinct. To the rear of the Hotel site is the Nicoll Highway, which provides access to Orchard Road and to the East Coast Parkway (ECP).</p> <p>Hotels in the surrounding area include the 403-room InterContinental and the 393-room Golden Landmark. Commercial developments in close proximity include The Plaza (a mixed-use complex of which the Hotel forms part of), The Gateway, Keypoint and Golden Mile Tower.</p>
<b>Property Description</b>	<p>: Officially opened in 1971, the Property comprises a full service hotel, offering a total of 343 rooms and suites together with restaurants, bar, fitness centre, spa and meeting space and other amenities commensurate with a four star hotel. The Hotel forms part of a mixed use development known as the Plaza, which includes a serviced apartment building, an office/shopping centre building, a multi-storey car park, a now-closed shopping mall (the "Furniture Mall") and the Diners' Club office building. The former Furniture Mall is in the process of being converted into a meetings and banqueting facility and (for the purpose of this valuation) is considered part of the Hotel.</p> <p>The Hotel itself is positioned at the north of this complex, fronting Beach Road, and comprises a seven storey building (although certain of the Hotel facilities are located within the office building and the former Furniture Mall building). We are advised that the Hotel extends to a gross floor area of approximately 23,776 square metres, including the proposed meeting facilities at the Furniture Mall, which comprise of some 3,876 square metres.</p> <p>For the avoidance of doubt, our valuation relates to the hotel component of the development only.</p>
<b>Repair and Condition</b>	<p>: In our view, the overall standard of maintenance appears to be good and the hotel generally presents well. The Hotel is almost 40 years old and appears to have been maintained to a good operational standard. However, guestrooms are now rather dated, and superior rooms in particular are in need of renovation.</p> <p>We understand that the Client is currently carrying out a conversion of the Furniture Mall into Hotel meeting and conference rooms. As instructed by the Client, we have included the renovation of the Furniture Mall in the valuation as it will become the new meeting space for the Hotel.</p>
<b>Site Area</b>	: 6,672 sq m (Hotel only occupies part of the site with the remainder being part of The Plaza complex)
<b>Gross Floor Area (GFA)</b>	: Approximately 23,776 sq m (source: Client)
<b>Zoning:</b>	: According to the Urban Redevelopment Authority Masterplan 2008, the site on which the Property is situated is zoned for Hotel use on a specific portion of the site where the Hotel appears to currently be situated.



**Operating Structure** : We understand that the Hotel is operated under the PARKROYAL brand by Pan Pacific Hotels and Resorts Pte Ltd by way of a Management Agreement.

As noted in section 5 of the preceding letter, in accordance with your instructions, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company. We have assumed that a competent hotel operating company would be appointed to manage the hotel under an internationally recognised brand. In preparing the projections upon which our valuation is based, we have adopted management fees and related expenses in line with prevailing market terms

**Methodology** : Discounted Cashflow, Capitalisation, Direct Comparison.

**Market Value<sup>1</sup> (with Special Assumptions)** : PARKROYAL on Beach Road Singapore

**SGD 165,700,000** (One Hundred Sixty Five Million Seven Hundred Thousand Singapore Dollars)

<sup>1</sup> Market Value of the leasehold interest in the Property, together with all fixtures, fittings, furniture and equipment, as a fully equipped operational entity, having regard to trading potential (i.e. on a 'going concern' basis), on the Special Assumption that the Property has the benefit of Vacant Possession of the existing hotel management.

**Date of Valuation** : 31 March 2013

**Notice** : This valuation summary should be read in conjunction with the foregoing letter and the General Principles and Limiting Conditions to which it refers.

## VALUATION SUMMARY

<b>Property</b>	: PARKROYAL on Kitchener Road, 181 Kitchener Road, Singapore 208533
<b>Tenure / Legal Description</b>	: The Hotel is understood to be held as a Fee Simple (freehold) interest, legally identified as Lot 1445W within Town Subdivision 17 as outlined within the registered Certificate of Title Volume 338 Folio 148.
<b>Assumed Interest Valued</b>	: Fee Simple (freehold) interest in the Property as a fully equipped operational entity, having regard to trading potential, with the benefit of Vacant Possession.
<b>Location</b>	<p>: The Hotel is located on Kitchener Road in the "Little India" area of Singapore. The locality is an established retail and residential area with Serangoon Plaza and Mustafa Centre (two major shopping centres) located in close proximity. Opposite the Hotel and also on Kitchener Road, is City Square, an integrated residential and commercial project.</p> <p>The Hotel is approximately 4.5 kilometres (a 10-minute drive subject to traffic conditions) from the financial centre at Raffles Place and the prime shopping areas of Orchard Road, Raffles City, Suntec City Mall and Marina Square. Changi International Airport is approximately 20 kilometres (a 25-minute drive subject to traffic conditions) from the Hotel.</p> <p>The Hotel is approximately 200 metres from Farrer Park Mass Rapid Transit (MRT) station, which provides ready accessibility to the Central Business District and other parts of Singapore via the North-East Line.</p>
<b>Property Description</b>	<p>: The Property comprises a full-service mid-market positioned hotel of 534 guestrooms together with associated facilities including restaurants, bar, fitness centre, spa and meeting and conference space. The Property also includes a retail arcade located at level 1, whilst further retail accommodation is located on level 2 adjacent to the hotel lobby.</p> <p>The Property is arranged over a total of 21 storeys above a basement, comprising a 5-storey podium with a 16-storey tower above, and is of reinforced concrete frame.</p>
<b>Repair and Condition</b>	: The overall standard of maintenance appears to be good and the Property generally presents to a reasonable level of repair and condition.
<b>Site Area</b>	: 7,780.1 sq m
<b>Gross Floor Area (GFA)</b>	: Approximately 37,800 sq m (source: Client)
<b>Zoning:</b>	: According to the Urban Redevelopment Authority Masterplan 2008, the site on which the Property is situated is zoned for Hotel use.
<b>Operating Structure</b>	<p>: We understand that the Hotel is operated under the PARKROYAL brand by Pan Pacific Hotels and Resorts Pte Ltd by way of an internal Management Agreement.</p> <p>As noted in section 5 of the preceding letter, in accordance with your instructions, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company. We have assumed that a competent hotel operating company would be appointed to manage the hotel under an internationally recognised brand. In preparing the projections upon which our valuation is based, we have adopted management fees and related expenses in line with prevailing market terms.</p>
<b>Methodology</b>	: Discounted Cashflow, Capitalisation, Direct Comparison.



**Market Value<sup>1</sup> (with  
Special Assumptions)**

: PARKROYAL on Kitchener Road Singapore

**SGD 295,100,000** (Two Hundred Ninety Five Million and One Hundred Thousand Singapore Dollars)

<sup>1</sup> Market Value of the Fee Simple interest in the Property, together with all fixtures, fittings, furniture and equipment, as a fully equipped operational entity, having regard to trading potential (i.e. on a 'going concern' basis), on the Special Assumption that the Property has the benefit of Vacant Possession of the existing hotel management.

**Date of Valuation**

: 31 March 2013

**Notice**

: This valuation summary should be read in conjunction with the foregoing letter and the General Principles and Limiting Conditions to which it refers.



## VALUATION SUMMARY

<b>Property</b>	: PARKROYAL on Pickering, 3 Upper Pickering Street, Singapore 058289
<b>Tenure / Legal Description</b>	: The land comprises Lot Number TS6-504M in the Certificate of Title Volume 656 Folio 91. We understand the Property is held by way of a leasehold title of 99 years commencing from 14 January 2008 with no rent payable.
<b>Assumed Interest Valued</b>	: Leasehold interest in the Property as a fully equipped operational entity, having regard to trading potential, with the benefit of Vacant Possession.
<b>Location</b>	<p>: The Property is located along Upper Pickering Street, bounded by New Bridge Road, South Bridge Road and Upper Hokkien Street and opposite Hong Lim Park. Vehicular access is via Upper Pickering Street.</p> <p>Prominent developments in the vicinity include One George Street, Great Eastern Centre, Fook Hai Building, Hong Lim Complex, Swissotel Merchant Court, The Central, Apollo Centre, Furama Hotel, Chinatown Point and People's Park Centre. Clarke Quay entertainment hub is also within close proximity.</p> <p>Public transport is readily available along New Bridge Road and South Bridge Road. The Hotel is also within close proximity to Chinatown and Clarke Quay MRT Stations. Given the location of the Property within the city centre, roads providing access to the Property are subject to electronic road pricing.</p>
<b>Property Description</b>	<p>: The Property forms part of an ongoing development of a mixed-use Hotel and Office complex; however, this report as stated earlier does not include the valuation of the Office complex and is in consideration of the Hotel component only.</p> <p>The Hotel comprises of a 15-storey building (plus roof and plant levels) accommodating 367 guest rooms, roof terrace with a roof top bar, an all-day dining restaurant with outdoor terrace, one ballroom, one conference room, two meeting rooms, sky gardens, swimming pool, gymnasium and a spa.</p> <p>There will be a total of 106 car park lots on level three and level four of the development, 85 lots of which are allocated to the hotel component.</p>
<b>Repair and Condition</b>	: The overall standard of maintenance appears to be good and the Property generally presents to a reasonable level of repair and condition given that it opened in January 2013.
<b>Site Area</b>	: 6,958.9 square metres (Shared between Hotel and Office Component)
<b>Gross Floor Area (GFA)</b>	: 29,811.54 sq m (source: Client)
<b>Zoning:</b>	: According to the Urban Redevelopment Authority Masterplan 2008, the site on which the Property is situated is zoned for Hotel use.
<b>Operating Structure</b>	<p>: We understand that the Hotel is operated under the PARKROYAL brand by Pan Pacific Hotels and Resorts Pte Ltd by way of an internal Management Agreement.</p> <p>As noted in section 5 of the preceding letter, in accordance with your instructions, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company. We have assumed that a competent hotel operating company would be appointed to manage the hotel under an internationally recognised brand. In preparing the projections upon which our valuation is based, we have adopted management fees and related expenses in line with prevailing market terms.</p>
<b>Methodology</b>	: Discounted Cashflow, Capitalisation, Direct Comparison.



**Market Value<sup>1</sup> (with  
Special Assumptions)**

: PARKROYAL on Pickering Singapore

**SGD 304,000,000** (Three Hundred and Four Million Singapore Dollars)

<sup>1</sup> Market Value of the leasehold interest in the Property, together with all fixtures, fittings, furniture and equipment, as a fully equipped operational entity, having regard to trading potential (i.e. on a 'going concern' basis), on the Special Assumption that the Property has the benefit of Vacant Possession of the existing hotel management.

**Date of Valuation**

: 31 March 2013

**Notice**

: This valuation summary should be read in conjunction with the foregoing letter and the General Principles and Limiting Conditions to which it refers.

## VALUATION SUMMARY

<b>Property</b>	: Pan Pacific Suzhou, 259 Xin Shi Road, Suzhou, China
<b>Tenure / Legal Description</b>	: According to Hotel Management, the owning company of the Property is Suzhou Wugong Hotel Co. Ltd.  The Property occupies a site area of approximately 31,800.7 square metres (sqm) for which a Land Use Right was granted to the owning company for a period of 50 years commencing on 1 October 1994.
<b>Assumed Interest Valued</b>	: Leasehold interest in the Property as a fully equipped operational entity, having regard to trading potential, with the benefit of Vacant Possession.
<b>Location</b>	: The Hotel is situated at 259 Xinshi Road, in the south-west of Suzhou's historical centre, demarcated by the Waicheng River. Driving time from the Hotel to Suzhou New District (SND) and the Suzhou Industrial Park (SIP), Suzhou's most important corporate demand generator, is approximately 20 – 30 minutes depending on traffic conditions.  Suzhou is located approximately 120 km (one hour and twenty minutes by car) from Shanghai (People's Square) and about 150 km (one hour and fifty minutes by car) from Shanghai's International Pudong Airport. Via high-speed train, Suzhou can be reached within 30 minutes from Shanghai station and within 25 minutes from the Shanghai Hongqiao Traffic Hub.
<b>Property Description</b>	: The Property comprises a full service first class hotel that has been designed and constructed following a Ming Dynasty architectural style. The Hotel opened on 27 September 1998 with a total of 318 saleable guest rooms and was expanded in March 2004, increasing the Hotel's room count to 403. By March 2009, works on a newly built 99-key Pan Pacific Club wing were completed, providing the Hotel with a net increase of a further 78 keys and thus total inventory of 481 rooms. Other facilities of the Hotel include three restaurants, two bars, a ballroom and meeting facilities, a fully equipped business centre, indoor and outdoor pool as well as two fitness centres, tennis court, spa and sauna.  In keeping with Suzhou's heritage as a garden city, the Hotel is housed in a low-rise structure with a main building and two interconnecting wings (Garden Wing and Pagoda Wing) together with the more recently constructed Pan Pacific Club wing. These buildings are loosely arranged around traditional Chinese gardens, meandering walkways and small canals. The Hotel offers private access to an adjacent park, the Panmen Scenery. The Hotel structure has roofs with slanted eaves, an architectural element that further enhances the traditional Chinese experience.
<b>Repair and Condition</b>	: The overall standard of maintenance appears to be good and the Property generally presents to a reasonable level of repair and condition.
<b>Site Area</b>	: 31,800.7 sq m
<b>Planning / Zoning:</b>	: Our valuation assumes that the premises (and any works thereto) comply with all relevant local statutes and regulations, including enactments relating to fire regulations, access and use by disabled persons and control and remedial measures for asbestos in the workplace.
<b>Operating Structure</b>	: We understand that the Hotel is operated under the Pan Pacific brand by Pan Pacific Hotels and Resorts Pte Ltd by way of an internal Management Agreement.  As noted in section 5 of the preceding letter, in accordance with your instructions, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company. We have assumed that a competent hotel operating company would be appointed to manage the hotel under an internationally recognised brand. In preparing the projections upon which our valuation is based, we have adopted management fees and related expenses in line with prevailing market terms.



**Methodology** : Discounted Cashflow, Capitalisation, Direct Comparison.

**Market Value<sup>1</sup> (with Special Assumptions)** : Pan Pacific Suzhou

**RMB 309,700,000** (Three Hundred and Nine Million Seven Hundred Thousand Renminbi)

<sup>1</sup> Market Value of the leasehold interest in the Property, together with all fixtures, fittings, furniture and equipment, as a fully equipped operational entity, having regard to trading potential (i.e. on a 'going concern' basis), on the Special Assumption that the Property has the benefit of Vacant Possession of the existing hotel management.

**Date of Valuation** : 31 March 2013

**Notice** : This valuation summary should be read in conjunction with the foregoing letter and the General Principles and Limiting Conditions to which it refers.

## VALUATION SUMMARY

<b>Property</b>	: PARKROYAL Yangon, 33 Alan Pya Phaya Road, Dagon Township, Yangon 11191, Myanmar
<b>Tenure / Legal Description</b>	: We understand that the property is held leasehold for an initial term of 30 years, commencing 27 May 1997 and expiring 26 May 2027 (14.4 years unexpired). Rent payable under the terms of the land lease is the greater of 5% of gross revenue or US\$400,000 per annum.
<b>Assumed Interest Valued</b>	: Leasehold interest in the Property as a fully equipped operational entity, having regard to trading potential, with the benefit of Vacant Possession.
<b>Location</b>	: The Hotel is located at the junction of Alan Pya Phaya Road (Signal Pagoda Road) and Yaw Min Gyi Road (York Road), within central Yangon. The Property is in close proximity to the Central Business District and cultural attractions such as the Shwedagon Pagoda. Yangon's international airport is approximately 10 km or around a 30-minute drive from the Hotel.
<b>Property Description</b>	: The Property comprises a full service hotel which opened in 1997. The Hotel has a total of 331 rooms together with three restaurants, lobby lounge, night club, six meeting rooms, 10 office units (guestroom units), swimming pool, fitness centre, spa, underground car park, business centre and some retail shops. The Property is constructed over two basements, ground and seven upper floors.
<b>Repair and Condition</b>	<p>: Renovation works undertaken in 2011 included the lobby bar, the ballroom and the conversion of office units on the third floor into guestrooms, increasing the room inventory from 267 to 323 guestrooms. During 2012, 250 guestrooms and the Club lounge were renovated. We understand that the last eight office units on the third floor were converted to guestrooms in the last quarter of 2012 and the hotel started the year 2013 with a room inventory of 331 rooms. We understand that a further 8 to 9 room units are occupied by staff and the hotel is considering adding these units to the hotel inventory by year-end 2013 and moving staff accommodation off-site.</p> <p>Guestrooms have now all been renovated and generally present well in comparison to the market. We understand that renovation works to the hotel's F&amp;B outlets will be carried out throughout the remainder of the year 2013.</p>
<b>Site Area</b>	: Approximately 7,410 sq m
<b>Planning / Zoning:</b>	: Our valuation assumes that the premises (and any works thereto) comply with all relevant local statutes and regulations, including enactments relating to fire regulations, access and use by disabled persons and control and remedial measures for asbestos in the workplace.
<b>Operating Structure</b>	<p>: We understand that the Hotel is operated under the PARKROYAL brand by Pan Pacific Hotels and Resorts Pte Ltd by way of an internal Management Agreement.</p> <p>As noted in section 5 of the preceding letter, in accordance with your instructions, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company. We have assumed that a competent hotel operating company would be appointed to manage the hotel under an internationally recognised brand. In preparing the projections upon which our valuation is based, we have adopted management fees and related expenses in line with prevailing market terms.</p>
<b>Methodology</b>	: Discounted Cashflow, Capitalisation.



**Market Value<sup>1</sup> (with  
Special Assumptions)**

: PARKROYAL Yangon

**USD 34,000,000** (Thirty Four Million United States Dollars)

<sup>1</sup> Market Value of the leasehold interest in the Property, together with all fixtures, fittings, furniture and equipment, as a fully equipped operational entity, having regard to trading potential (i.e. on a 'going concern' basis), on the Special Assumption that the Property has the benefit of Vacant Possession of the existing hotel management.

**Date of Valuation**

: 31 March 2013

**Notice**

: This valuation summary should be read in conjunction with the foregoing letter and the General Principles and Limiting Conditions to which it refers.



## VALUATION SUMMARY

<b>Property</b>	: PARKROYAL Saigon, 309B-311 Nguyen Van Troi, Tan Binh District, Ho Chi Minh City, Vietnam
<b>Tenure / Legal Description</b>	: We understand that the term of the land lease is for a period of 49 years from 23 March 1994 expiring on 22 March 2043 (approximately 30.0 years unexpired) and that no Annual Rent is payable.
<b>Assumed Interest Valued</b>	: Leasehold interest in the Property as a fully equipped operational entity, having regard to trading potential, with the benefit of Vacant Possession.
<b>Location</b>	: The Hotel is located along the busy thoroughfare of Nguyen Van Troi Street and in close proximity to its junction with Hong Van Thu Road within the Tan Binh District. The Property is approximately 5.5 kilometres (20 to 25 minutes' drive subject to traffic conditions) northwest of the main commercial centre of Ho Chi Minh City and approximately 2 kilometres (5- to 10-minute drive subject to traffic conditions) from Tan Son Nhat International Airport.
<b>Property Description</b>	<p>: The Property comprises a 10-storey hotel building and a six-storey annex office building (known as the Garden Plaza annex). The Hotel opened for business in February 1997 and provides a modern mid-market accommodation product with associated amenities. The Hotel has been rated as 4-star by the Vietnam National Administration of Tourism. The hotel offers 186 rooms, restaurant, bar, four meeting rooms, fitness centre, spa and outdoor swimming pool.</p> <p>The Garden Plaza annex building houses the hotel's main function room and spa and fitness facilities, together with commercial office accommodation extending to a combined lettable area of approximately 1,251 square metres.</p>
<b>Repair and Condition</b>	<p>: In our view, the overall standard of maintenance appears to be good and the hotel generally presents well. The Hotel is approximately 16 years old and appears to have been maintained to a good operational standard.</p> <p>A complete renovation of 131 guestrooms in the original wing was completed at the end of December 2011, together with the conversion of seven guestrooms into four meeting rooms, a small business centre and two public toilets on the 10th floor. The hotel started the year 2012 with a renovated product and the major renovations enhanced the positioning of the hotel as a modern mid-market hotel.</p>
<b>Site Area</b>	: Approximately 4,229 sq m
<b>Planning / Zoning</b>	: Our valuation assumes that the premises (and any works thereto) comply with all relevant local statutes and regulations, including enactments relating to fire regulations, access and use by disabled persons and control and remedial measures for asbestos in the workplace.
<b>Operating Structure</b>	<p>: We understand that the Hotel is operated under the PARKROYAL brand by Pan Pacific Hotels and Resorts Pte Ltd by way of an internal Management Agreement.</p> <p>As noted in section 5 of the preceding letter, in accordance with your instructions, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company. We have assumed that a competent hotel operating company would be appointed to manage the hotel under an internationally recognised brand. In preparing the projections upon which our valuation is based, we have adopted management fees and related expenses in line with prevailing market terms.</p>
<b>Methodology</b>	: Discounted Cashflow, Capitalisation, Direct Comparison.



**Market Value<sup>1</sup> (with Special Assumptions)** : PARKROYAL Saigon  
USD 22,400,000 (Twenty Two Million Four Hundred Thousand United States Dollars)

<sup>1</sup> Market Value of the leasehold interest in the Property, together with all fixtures, fittings, furniture and equipment, as a fully equipped operational entity, having regard to trading potential (i.e. on a 'going concern' basis), on the Special Assumption that the Property has the benefit of Vacant Possession of the existing hotel management.

**Date of Valuation** : 31 March 2013

**Notice** : This valuation summary should be read in conjunction with the foregoing letter and the General Principles and Limiting Conditions to which it refers.

## VALUATION SUMMARY

<b>Property</b>	: Sofitel Plaza Hanoi, 1 Thanh Nien Road, Ba Dinh District, Hanoi 10000, Vietnam
<b>Tenure / Legal Description</b>	: According to a copy of The Land Use Rights Certificate provided to us by the Client, the Property occupies a land area of approximately 5,989 square metres (sq m) and the duration of the land use entitlement is 48 years from 10 November 1993 (expiring 9 November 2041). The remaining period of the land use right is, therefore, approximately 28.5 years and we understand that no Annual Rent is payable.
<b>Assumed Interest Valued</b>	: Leasehold interest in the Property as a fully equipped operational entity, having regard to trading potential, with the benefit of Vacant Possession.
<b>Location</b>	: The Sofitel Plaza Hanoi is located in the scenic Lake District of Hanoi. It comprises a 20-storey structure overlooking the West Lake (Ho Tay), the largest lake in Hanoi, as well as Truc Bach Lake and Red River (Song Hong).  The Hotel is located in close proximity to the city's commercial and cultural centre. Noi Bai International Airport is approximately 30 kilometres from the hotel.
<b>Property Description</b>	: The Property comprises a 20-storey hotel (together with serviced apartment and office areas) which opened in 1998. The Hotel has a total of 317 rooms of which 309 are saleable. The Property benefits from the typical amenities associated with a full-service international hotel including: five food and beverage outlets, one ballroom and six function rooms, swimming pool, gym, spa, business centre, basement car park and a shopping arcade (10 shops). The Property provides "five star" hotel accommodation and facilities, as rated by the Vietnam National Administration of Tourism.  The Property also includes a total of 36 serviced apartments which began operation in July 2003. Part of the Property also comprises office accommodation extending to approximately 2,195 sq m, which we understand is leased to third party occupiers.
<b>Repair and Condition</b>	: The overall standard of maintenance appears to be good and the Property generally presents to a reasonable level of repair and condition.  Many areas of the hotel appear to be in excellent condition following the renovation carried out in 2011, including the refurbishment of 44 guestrooms and Luxury rooms, Chinese restaurant, rooftop bar and ballroom. We understand that approximately USD 4.2 million was spent in renovation works in 2011. However, we understand that Superior rooms have not been refurbished since the hotel was opened and would benefit from a renovation. The fitness centre, spa and swimming pool area are also dated and in need of refurbishment. No major renovation works were undertaken in 2012. Chillers were replaced in February 2013, enabling savings in energy consumptions.
<b>Site Area</b>	: 5,989 sq m
<b>Planning / Zoning</b>	: Our valuation assumes that the premises (and any works thereto) comply with all relevant local statutes and regulations, including enactments relating to fire regulations, access and use by disabled persons and control and remedial measures for asbestos in the workplace.
<b>Operating Structure</b>	: The Hotel is currently managed under the Sofitel brand by Accor, by way of a management agreement, which we are informed by Hotel Management was extended for a further 5-year as the original agreement expired on 31 December 2012. We have not been provided with a copy of the renewal agreement, however, the Client has requested that we disregard the current management agreement and value the property on the basis that the Hotel is available free of this management agreement.



As noted in section 5 of the preceding letter, in accordance with your instructions, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company. We have assumed that a competent hotel operating company would be appointed to manage the hotel under an internationally recognised brand. In preparing the projections upon which our valuation is based, we have adopted management fees and related expenses in line with prevailing market terms.

**Methodology** : Discounted Cashflow, Capitalisation, Direct Comparison.

**Market Value<sup>1</sup> (with Special Assumptions)** : Sofitel Plaza Hanoi

**USD 63,700,000** (Sixty Three Million Seven Hundred Thousand United States Dollars)

<sup>1</sup> Market Value of the leasehold interest in the Property, together with all fixtures, fittings, furniture and equipment, as a fully equipped operational entity, having regard to trading potential (i.e. on a 'going concern' basis), on the Special Assumption that the Property has the benefit of Vacant Possession of the existing hotel management.

**Date of Valuation** : 31 March 2013

**Notice** : This valuation summary should be read in conjunction with the foregoing letter and the General Principles and Limiting Conditions to which it refers.

## VALUATION SUMMARY

<b>Property</b>	: Pan Pacific Perth, 207 Adelaide Terrace, Perth, Australia
<b>Tenure / Legal Description</b>	<p>: The Property is situated on predominately freehold land and is legally described as lot 889 in Deposited Plan 34976 (hotel) and strata freehold lot 49 in Strata Plan 44907 (car park) located within the Local Government Area of the City of Perth.</p> <p>There are several notifications and encumbrances noted on each title which include a mortgage to United Overseas Bank Limited, rights of carriageway, footway, water supply, drainage and support. There are also a number of registered caveats noted on title.</p> <p>We do not consider that any of the encumbrances or caveats registered on title adversely affect value however, if this is not the case we reserve the right to amend our valuation.</p>
<b>Assumed Interest Valued</b>	: Fee Simple (freehold) interest of the Property as a fully equipped operational entity, having regard to trading potential, with the benefit of Vacant Possession.
<b>Location</b>	: The Property is located at the eastern fringe of the Perth Central Business District and is situated within the hotel precinct of the city. The Property is bounded by Adelaide Terrace and Hill Street and benefits from visual prominence and close proximity Perth's shopping, entertainment and business precincts. It has an elevated position fronting Adelaide Terrace facilitating views across the Swan River, Perth CBD and surrounds. The hotel is approximately 12 kilometres and 17 kilometres from Perth's domestic and international airports respectively.
<b>Property Description</b>	: The Property comprises an international standard hotel of 5 star rating, with 486 guest rooms. Originally, the complex opened in 1973 and was developed over 23 levels, with five levels of car parking located in a separate structure. In December 2007, the hotel completed a 96 room extension as well as construction of new business centre/meeting rooms and executive lounge. The ground floor contains the majority of the Hotel's food and beverage facilities while the extensive conference and banqueting facilities being situated on the next floor above ("C" level).
<b>Repair and Condition</b>	: The overall standard of maintenance appears to be good and the Property generally presents to a reasonable level of repair and condition.
<b>Site Area</b>	: 4,841 sq m
<b>Zoning:</b>	: Freehold lot 889 is zoned 'Office/Residential' in 'Precinct 13-Adelaide' under the provisions of the City Planning Scheme No. 2 2004. The Adelaide Precinct will be developed as a residential quarter accommodating a wide range of residential uses including short stay accommodation and employment opportunities serviced by activities which support these uses.
<b>Operating Structure</b>	<p>: We understand that the Hotel is operated under the Pan Pacific brand by Pan Pacific Hotels and Resorts Pte Ltd by way of an internal Management Agreement.</p> <p>As noted in section 5 of the preceding letter, in accordance with your instructions, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company. We have assumed that a competent hotel operating company would be appointed to manage the hotel under an internationally recognised brand. In preparing the projections upon which our valuation is based, we have adopted management fees and related expenses in line with prevailing market terms.</p>
<b>Methodology</b>	: Discounted Cashflow, Capitalisation and Direct Comparison.



**Market Value<sup>1</sup> (with  
Special Assumptions)**

: Pan Pacific Perth

**AUD 157,000,000** (One Hundred and Fifty Seven Million Australian Dollars)

<sup>1</sup> Market Value of the Fee Simple interest in the Property, together with all fixtures, fittings, furniture and equipment, as a fully equipped operational entity, having regard to trading potential (i.e. on a 'going concern' basis), on the Special Assumption that the Property has the benefit of Vacant Possession of the existing hotel management.

**Date of Valuation**

: 31 March 2013

**Notice**

: This valuation summary should be read in conjunction with the foregoing letter and the General Principles and Limiting Conditions to which it refers.



## VALUATION SUMMARY

<b>Property</b>	: PARKROYAL Parramatta, 30 Phillip Street, Paramatta, New South Wales, Australia
<b>Tenure / Legal Description</b>	<p>: The Property is situated on a freehold 3,436 square metre parcel of land which is legally described as Lot 2 in Deposited Plan 730119 in the Local Government Area of Parramatta, Parish of St John, County of Cumberland.</p> <p>The registered proprietor noted on Title is Success Venture Pty Limited. An easement and right of way and support are registered on the title document along with a lease to Prospect County Council of Substation and a caveat (relating to the use of 40 car parks). We also note there is a mortgage noted to United Overseas Bank Limited. We do not consider that any of the encumbrances or caveats registered on title adversely affect value however, if this is not the case we reserve the right to amend our valuation.</p>
<b>Assumed Interest Valued</b>	: Fee Simple (freehold) interest of the Property as a fully equipped operational entity, having regard to trading potential, with the benefit of Vacant Possession.
<b>Location</b>	: The hotel is situated in the heart of Parramatta's Central Business District. It overlooks the Parramatta River and is close to major corporate and government offices, as well as the large Westfield Shopping Centre. Surrounding development includes a mixture of older style and modern commercial/retail buildings, numerous restaurants, and the Riverside Theatre complex. The Sydney CBD is approximately 24 kilometres away and the International Airport is approximately 30 kilometres to the east of the hotel.
<b>Property Description</b>	: The Hotel was built in 1986 and extends over two basement levels, ground and 12 upper levels. It fronts onto Phillip Street, with pedestrian and vehicular access via a dual lane covered driveway. Currently rated at 4.5 star, the Hotel incorporates 196 guest rooms within an L shaped tower structure. The ground and first floors contain the food, beverage and conference facilities in addition to the entry foyer and reception. Parking for some 176 vehicles is provided in the two basement levels.
<b>Repair and Condition</b>	: The Hotel generally presents very well following its extensive refurbishment in 2010 and 2011.
<b>Site Area</b>	: 3,436 sq m
<b>Zoning:</b>	: The property is zoned Mixed Use under the provisions of the Parramatta City Centre Local Environmental Plan 2007. The zoning allows a maximum building height of 80 metres and a maximum floor space ratio of 6:1 which indicates significant expansion/development potential.
<b>Operating Structure</b>	<p>: We understand that the Hotel is operated under the PARKROYAL brand by Pan Pacific Hotels and Resorts Pte Ltd by way of an internal Management Agreement.</p> <p>As noted in section 5 of the preceding letter, in accordance with your instructions, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company. We have assumed that a competent hotel operating company would be appointed to manage the hotel under an internationally recognised brand. In preparing the projections upon which our valuation is based, we have adopted management fees and related expenses in line with prevailing market terms.</p>
<b>Methodology</b>	: Discounted Cashflow, Capitalisation and Direct Comparison.



**Market Value<sup>1</sup> (with  
Special Assumptions)**

: PARKROYAL Parramatta

**AUD 33,500,000** (Thirty Three Million Five Hundred Thousand Australian Dollars)

<sup>1</sup> Market Value of the Fee Simple interest in the Property, together with all fixtures, fittings, furniture and equipment, as a fully equipped operational entity, having regard to trading potential (i.e. on a 'going concern' basis), on the Special Assumption that the Property has the benefit of Vacant Possession of the existing hotel management.

**Date of Valuation**

: 31 March 2013

**Notice**

: This valuation summary should be read in conjunction with the foregoing letter and the General Principles and Limiting Conditions to which it refers.

## VALUATION SUMMARY

<b>Property</b>	: PARKROYAL Darling Harbour, 150 Day Street, Sydney, Australia
<b>Tenure / Legal Description</b>	<p>: The 2,281 square metres land parcel is held on a freehold basis and is legally described as Lot 20 in Deposited Plan 1046870 at Darling Harbour in the Local Government Area of Sydney, Parish of St Andrew, County of Cumberland.</p> <p>The registered proprietor noted on Title is Success Venture Pty Limited. There are 10 notifications on the title which include part of the site being stratum limited in height/depth and part restricted in use (due to the intrusion of an adjoining road tunnel) along with easements for drainage, electricity, rock anchors and public footway rights of way. We also note there is a mortgage to United Overseas Bank Limited and a notation listed on the title for a proposed rights of way and electricity easement.</p>
<b>Assumed Interest Valued</b>	: Fee Simple (freehold) interest of the Property as a fully equipped operational entity, having regard to trading potential, with the benefit of Vacant Possession.
<b>Location</b>	<p>: The Hotel is situated at the corner of Day and Bathurst Streets in the western precinct of Sydney's Central Business District. It is adjacent to the Darling Quarter entertainment precinct, close to major office buildings, Chinatown and the Sydney Convention and Exhibition Centre.</p> <p>The hotel is located at the junction of the Cross City Tunnel's westbound exit (Bathurst Street) as well as the Western Distributor. While, in some respects the close proximity of these roadways is advantageous (providing direct access from airport and western suburbs), they also impede vehicular access from some parts of the Central Business District and impact upon the visual amenity from the hotel.</p>
<b>Property Description</b>	<p>: The hotel opened in 1991 and is developed over basement, ground and 10 upper levels with a large central atrium. The property fronts onto a cul-de-sac with pedestrian and vehicular access via a covered driveway. Currently rated at 4.5 stars, accommodation consists of 340 guest rooms (including 22 suites) along with ancillary facilities such as a restaurant, bar and function rooms.</p> <p>At the time inspection the hotel refurbishment was complete which included all guest rooms, main lobby, business centre, toilets, lounge and restaurant, meeting rooms, driveway and gymnasium.</p>
<b>Repair and Condition</b>	: The selection of Hotel guest rooms generally present well commensurate to the Hotel's 4.5 star standard whilst we cannot provide any assurance that the property is free from defect, we did not note any items of disrepair during the course of our inspection apart from those that would be the subject of a normal maintenance program.
<b>Site Area</b>	: 2,281 sq m
<b>Zoning:</b>	<p>: The land is contained within 'B8 Metropolitan Centre' under the provisions of Sydney Local Environmental Plan 2012. We understand that the current hotel use is permitted with consent under this zoning. Under this zoning a floor space ratio of 7.5:1 is allowable for hotels and building height is limited to 45 metres.</p> <p>We have not sighted a Zoning Certificate and it is assumed that the property complies with the relevant Act.</p> <p>We do not consider that any of the encumbrances or caveats registered on title adversely affect value however, if this is not the case we reserve the right to amend our valuation. We give no warranty as to the subject property's conformance with local planning / zoning regulations and recommend independent verification. We assume that all necessary permits and approvals have been secured, and that the subject property was constructed in accordance with the planning consents granted, relevant building codes, and all other applicable regulations.</p>



- Operating Structure** : We understand that the Hotel is operated under the PARKROYAL brand by Pan Pacific Hotels and Resorts Pte Ltd by way of an internal Management Agreement.
- As noted in section 5 of the preceding letter, in accordance with your instructions, we have made the Special Assumption that the existing management agreement may be terminated immediately on sale of the Property without penalty or compensation due to the existing management company. We have assumed that a competent hotel operating company would be appointed to manage the hotel under an internationally recognised brand. In preparing the projections upon which our valuation is based, we have adopted management fees and related expenses in line with prevailing market terms.
- Methodology** : Discounted Cashflow, Capitalisation and Direct Comparison.
- Market Value<sup>1</sup> (with Special Assumptions)** : PARKROYAL Darling Harbour
- AUD 91,000,000** (Ninety One Million Australian Dollars)
- <sup>1</sup> Market Value of the Fee Simple interest in the Property, together with all fixtures, fittings, furniture and equipment, as a fully equipped operational entity, having regard to trading potential (i.e. on a 'going concern' basis), on the Special Assumption that the Property has the benefit of Vacant Possession of the existing hotel management.
- Date of Valuation** : 31 March 2013
- Notice** : This valuation summary should be read in conjunction with the foregoing letter and the General Principles and Limiting Conditions to which it refers.



## APPENDIX I

### GENERAL ASSUMPTIONS AND LIMITING STATEMENTS

## GENERAL ASSUMPTIONS AND LIMITING STATEMENTS

We would also draw your attention to the following key assumptions and limitations made in respect of each Valuation:

- Unless otherwise stated, our valuation is on the basis of Market Value, which is defined as "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion".
- We have assumed that the information provided to us is correct, particularly that the Hotel's historic operating figures accurately reflect its trading history.
- It is assumed that the Property is open for business and will continue to trade normally up until the date of sale. The valuation further assumes a prospective purchaser would engage the existing staff and take over the benefit of future bookings.
- We have assumed the management of the Hotel will operate the Hotel competently. It should be emphasised that achievement of trading performance remains largely reliant on the skill and expertise of the Hotel management. We have neither evaluated management's effectiveness nor are responsible for future marketing efforts and other management actions upon which actual trading results will depend. Some assumptions inevitably will not materialise and unanticipated events and circumstances may occur. Therefore, actual results achieved during the analysis period will vary from the assumptions and the difference may be material.
- We have not fully searched nor verified the authenticity of the land titles. Our valuation is prepared on the assumption that the Property and title is free and clear of encumbrances, restrictions, or other impediments of an onerous nature, which would affect value. Our valuation is made on the basis that the Property is free of mortgages, charges and other financial liens.
- We have not conducted a land survey to verify the land boundaries and site areas and whether all developments and improvements are within such boundaries. We have assumed, unless otherwise stated, that all developments and improvements are within the boundaries of such land parcel as described in this report and the land parcel is fully owned by the Property owner.
- We have not had sight of a zoning certificate, building, fire safety certificate or other statutory requirements, and it is assumed, unless otherwise stated, that all appropriate licences and approvals are held to operate the hotel and the various food and beverage facilities. It is assumed that the Property complies with the requirements of all local government regulations. It is also assumed that the Hotel has the benefit of all necessary planning consents and that they are subject to no unusual, onerous or restrictive conditions.
- We have not carried out a structural survey nor have we tested any of the service installations, and therefore are unable to state the Property is free from defect. Unless advised to the contrary, we have assumed that the premises contain no deleterious materials such as high alumina cement concrete, woodwool, permanent shattering or asbestos.
- Our inspection is limited to areas where we have access to and viewing of typical guestroom and other facilities. We have assumed that information provided by the Client or obtained during the course of our site visit or from Hotel marketing materials such as Hotel website, fact sheet and sales kit, with respect of room inventory, types, sizes and configurations, Food and Beverage outlets, meeting, recreation and other facilities is materially correct and complete.
- Our valuation assumes that the Property is sold in the open market without the benefit of a leaseback, joint venture, or any similar agreement, which could serve to affect the value of the Property.





- We have assumed that the Property would be properly and effectively marketed to both domestic and international purchasers allowing a reasonable period of time (being between six and nine months) for exposure to the market and negotiation. We have also assumed that the Hotel's existing management would assist in the marketing process and provide all relevant information.
- No allowances are made for any expenses or taxation, which might arise in the event of a sale or disposal. The Property is assumed to be free and clear of all mortgages, encumbrances, outstanding premiums, charges and liabilities.
- We have assumed stability in business, tourism, economic and political situations in each respective state in which the Properties are located and that no significant changes of an adverse nature will occur. We also assume the level of the various respective local currencies against other world currencies will remain as attractive to overseas visitors as at the date of valuation.



## APPENDIX II

### GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

## General Principles Adopted in the Preparation of Valuations and Reports

It is our objective to discuss and agree the terms of our instructions and the purpose and basis of the valuation, at the outset, to ensure that we fully understand and meet our client's requirements.

This document sets out the general principles upon which our Valuations and Reports are normally prepared in our capacity as overseas consultants, and the conditions that apply to and form part of our Valuations and Reports. They apply unless we have specifically mentioned otherwise in the body of the report. Where appropriate, we will be pleased to discuss variations to suit any particular circumstances, where appropriate, or to arrange for the execution of structural or site surveys, or any other more detailed enquiries. Any such variations to these general principles and/or conditions must be confirmed in writing.

These General Principles should be read in conjunction with Jones Lang LaSalle's General Terms and Conditions of Business.

### 1. Valuation Standards:

Valuations and Reports are prepared in accordance with the "International Valuation Standards" published by the International Valuation Standards Council ("IVSC") subject to variations to meet local established law, custom, practice and market conditions. Where the Valuation Standards are silent on subjects requiring guidance, we would refer to the "RICS Valuation - Professional Standards" published by the Royal Institution of Chartered Surveyors ("RICS"), subject to variation to meet local established law, custom, practice and market conditions with the RICS Valuation - Professional Standards prevailing over IVSC's International Valuation Standards to the extent of any inconsistency.

### 2. Valuation Basis:

Properties are generally valued to "Market Value" or alternatively another basis of valuation as defined in the Valuation Standards. Market Value is defined as "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion".

This assumes:

- a willing seller and a willing buyer;
- that, prior to the Valuation Date, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
- that the value of the property is an estimated amount, rather than a predetermined or actual sale price on the Valuation Date;
- that the estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of special value;
- that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the Valuation Date; that both parties to the transaction had acted knowledgeably, prudently and without compulsion;
- that the transaction is presumed to be between unrelated parties each acting independently.

The full definition of any other basis, which we may have adopted, is either set out in our report or in the Valuation Standards.

There are interpretative commentaries on the definitions which are set out in the Valuation Standards and which we will be pleased to supply on request.

In our valuations no allowances are made for any expenses of realisation, or for taxation, which might arise in the event of a disposal. All property is considered as if free and clear of all mortgages, outstanding premiums, charges and liabilities, or similar financial encumbrances, which may be secured thereon.

Our valuations are made on the assumption that the owner sells the property on the open market without benefit of a deferred terms contract, leaseback, joint venture or similar arrangement which would serve to affect the value of the property.

Unless otherwise stated, our valuations are of each separate property. Portfolio valuations are aggregates of individual valuations rather than the portfolio having been valued as a whole. No allowance is made for the effect of the simultaneous marketing of all or a proportion of the properties.

Each valuation is current as at the Valuation Date only. The value assessed may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of preceding half of this paragraph, we do not assume any responsibility or accept liability where this valuation is relied upon after the expiration of six months from the Valuation Date.

### 3. Source of Information:

We accept as being reliable, complete and correct the information provided to us, by the sources listed, as to details of tenure, tenancies, tenant's improvements, planning consents and other relevant matters, including trading information, as summarised in our report. Unless

stated otherwise, the information on which our valuations are based is supplied to us by the Client and/or their advisors. We make no representations or warranties as to the reasonableness, reliability or accuracy of the information provided to us.

**4. Title and Other Documentation:**

We do not normally read leases or documents of title. We assume, unless informed to the contrary, that each property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoings of an onerous nature, which would have a material effect on the value of the interest under consideration, nor material litigation pending. We also assume that all property taxes and any other statutory dues have been paid.

Where we have been provided with documentation we recommend that reliance should not be placed on our interpretation without verification by your lawyers.

**5. Tenants:**

Although we reflect our general understanding of a tenant's status in our valuations, enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested and agreed to in writing. Where properties are valued with the benefit of lettings, it is therefore assumed, unless we are informed otherwise, that the tenants are capable of meeting their financial obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

**6. Measurements:**

We do not normally measure premises unless specifically requested and agreed in writing, and we base our valuation on the information made available to us. Where measurement is undertaken this is carried out in accordance with either the relevant local codes or the Code of Measuring Practices issued by the Royal Institution of Chartered Surveyors except in the case of agricultural properties or where we specifically state that we have relied on another source.

We have not conducted a land survey to verify the land boundaries and site areas and whether all developments and improvements are within such boundaries. We have assumed, unless otherwise stated, that all developments and improvements are within the boundaries of such land parcel as described in this report and the land parcel is fully owned by the property owner.

**7. Planning and Other Statutory Regulations:**

Where possible, information on Planning or Zoning, wherever possible, is obtained verbally from the relevant competent Local Planning Authority. In certain jurisdictions, however, it is often not possible to make such verbal enquiries.

We do not make formal legal enquiries and, if reassurance is required, we recommend that verification be obtained from your lawyers that:-

7.1. the position is correctly stated in our report;

7.2. the property is not adversely affected by any public schemes such as road and drainage improvements or any other decisions made, or conditions prescribed, by public authorities;

7.3. there are no outstanding statutory notices.

Our valuations are prepared on the basis that the premises (and any works thereto) comply with all relevant local statutory regulations, including enactments relating to fire regulations, access and use by disabled persons and control and remedial measures for asbestos. Where required by local legislation, it is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority. We will not undertake independent verification of the compliance with statutory norms that regulate the development of the respective properties and the information on land use, development mix and size which have been provided by the Client. For development projects we will assume that all the relevant approvals have been obtained and all fees and charges payable, if any, have been fully settled.

**8. Structural Surveys:**

We have not carried out a building survey nor any testing of services and we therefore do not give any assurance that any property is free from defect. We seek to reflect in our valuations any readily apparent defects or items of disrepair, which we note during our inspection, or costs of repair which are brought to our attention, however, we are not able to give any assurance in respect of rot, termite or past infestation or any other defects.

We have not inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of parts that have not been inspected and this Report should not be taken as making any implied representation or statement about such parts.

**9. Deleterious Materials:**

We do not normally carry out investigations on site to ascertain whether any building was constructed or altered using deleterious materials or techniques (including, by way of example, high-alumina cement concrete, woodwool as permanent shuttering, calcium chloride or asbestos). Unless we are otherwise informed, our valuations are on the basis that no such materials or techniques have been used.

**10. Site Conditions:**

We do not normally carry out investigations on site in order to determine the suitability of ground conditions and services for the purposes for which they are, or are intended to be, put; nor do we undertake archaeological, ecological or environmental surveys. Unless we are otherwise

informed, our valuations are on the basis that these aspects are satisfactory and that, where development is contemplated, no extraordinary expenses or delays will be incurred during the construction period due to these matters.

**11. Environmental Contamination:**

We do not carry out site surveys or environmental assessments, or investigate historical records, to establish whether any land or premises are, or have been, contaminated. Therefore, unless advised to the contrary, our valuations are carried out on the basis that properties are not affected by environmental contamination. However, should our site inspection and further reasonable enquiries during the preparation of the valuation lead us to believe that the land is likely to be contaminated we will discuss our concerns with you.

**12. Insurance:**

Unless expressly advised to the contrary we assume that appropriate cover is and will continue to be available on commercially acceptable terms. Accordingly, our opinions of value make no allowance for the risk that insurance cover for any property may not be available, or may only be available on onerous terms, including against risk of loss or damage from terrorism, fire, flood, rising water and deleterious materials such as composite panels.

**13. Outstanding Debts:**

In the case of property where construction works are in hand, or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, subcontractors or any members of the professional or design team.

**14. Disposal Costs and Liabilities**

No allowance for expenses of sale, which may be considerable, or liabilities to taxation (including GST or VAT), which might arise on a disposal. No allowance is made for transfer costs in disposing of the Property (whether payable by the vendor or purchaser) as such matters often depend on the manner in which the sale is conducted, nor for any interest, which might accrue prior to a disposal. All property is considered free and clear of all mortgages or other charges, which may be secured thereon unless otherwise advised.

**15. Currency:**

Valuations are prepared in the appropriate local currency. In some countries, particularly where inflation rates are unduly high, property values are often expressed in an international currency (eg. US Dollars).

**16. Tax:**

Valuations are prepared and expressed exclusive of any applicable local tax (including GST or VAT) unless otherwise stated. Income upon which our valuation is based, including any cash flow forecasts (as set out in the report) are exclusive of any such taxes.

**17. Confidentiality and Third Party Liability:**

Our Valuations and Reports are confidential to the party to whom they are addressed for the specific purpose to which they refer, and no responsibility whatsoever is accepted to any third parties. Neither the whole, nor any part, nor reference thereto, may be published in any document, statement or circular, nor in any communication with third parties, without our prior written approval of the form and context in which it will appear.

**18. Valuations Prepared On Limited Information:**

In the event that we are instructed to provide a valuation without the opportunity to carry out an adequate inspection and/or without the extent of information normally available for a formal valuation, we are obliged to state that the valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

**19. Reinstatement Cost Estimates**

Where we provide an opinion of Reinstatement Cost Estimates, our opinion is of the current reinstatement cost of the building as it exists at the Valuation Date.

The figure includes estimates of demolition cost, professional fees, furniture, fittings and equipment costs but excludes taxes. The figure is based on the estimated cost of work as at the date of assessment and no allowance is made for depreciation of the existing buildings. We make no allowance for the potential loss of income or rent during the reinstatement period in the reinstatement cost figure reported, nor do we allow for the cost of alternative accommodation. The reinstatement cost assessment does not include any consequential loss and liabilities to third parties.

Such estimates are based on information provided by the client and such construction cost data as may be available in the public domain (notably the Davis, Langdon and Seah cost index and similar publications) and our own experience of development in the relevant market. It should be noted that, in many markets, publicly available data is limited and reliable information as to actual building costs is scarce. Our estimates should, therefore, be regarded as a guide to check the current level of cover only and not as a basis for placing insurance. We would be pleased to arrange such an exercise, on your behalf, should you require it. We recommend that the client satisfy themselves as to the likely reinstatement cost for insurance purposes by obtaining a formal estimate prepared by a Quantity or Building Surveyor or other person with sufficient current experience of reinstatement costs in the relevant market.

20. **Hotels:**

Hotels and certain similar properties are usually sold as fully operational entities, including trade fixtures, fittings, furniture, furnishings and equipment. The new owner will normally engage the existing staff and sometimes the management and would expect to take over the benefit of future bookings, which are an important feature of the continuing operation.

Accordingly, our valuations assume that the hotel is open for business and trading up to the date of sale. Unless stated to the contrary, it is assumed that it has the benefit of all necessary licences, consents, registration certificates and permits, as appropriate (including fire certificates), and that they can be renewed. Consumable stocks are excluded from the valuation of the property.

Fixtures, fittings, furniture and stock are taken into account as apparent on inspection (or otherwise indicated to us) on the basis that the hotel is suitably equipped for the satisfactory continuation of the business and that all such furniture, fittings and equipment will be included in any sale.

Unless informed to the contrary, we assume that no particular value attaches to any item of furniture or work of art and also that all furniture, fittings and equipment is owned and not subject to any lease arrangement.

In arriving at our valuation we consider trading accounts for previous years, where they are available and, where appropriate, we have regard to management accounts, forecasts and projections of future trading activity as indicators of future potential. Such information is checked where appropriate but is normally accepted as accurate unless contrary indications are received. In the event of a future change in the trading potential or actual level of trade from that indicated by such information and assumptions, the value of the hotel could vary, and could fall as well as rise.

No allowance is made for any contingent tax liabilities or liability to staff (whether relating to redundancy payments, pensions or otherwise) unless expressly stated.

Unless otherwise instructed, we adopt the date of the inspection as the Valuation Date.





## APPENDIX III

### STANDARD TERMS AND CONDITIONS OF BUSINESS



## Jones Lang LaSalle General Terms and Conditions of Business

1. **General**
  - 1.1 These General Terms and Conditions of Business (the "Terms and Conditions") shall apply to all dealings between Jones Lang LaSalle ("we", "us" and/or "the Firm") and its client (the "Client") and, for the avoidance of doubt, shall be treated as applying separately to each Instruction given by the Client to Jones Lang LaSalle.
  - 1.2 The appointment shall, unless otherwise specifically agreed, be exclusive and commence on the date the Client confirms our instruction by returning a signed copy of the letter of instruction.
  - 1.3 These Terms and Conditions are deemed incorporated into the letter of instruction signed by the Client and Jones Lang LaSalle and shall govern the provision of services to the Client thereunder.
2. **Performance of the Services**
  - 2.1 Jones Lang LaSalle is to provide all Services to the specification and performance level stated in writing or, if none is stated, to the specification and performance level that it ordinarily provides. Jones Lang LaSalle has no responsibility for anything that is beyond the scope of the Services so defined.
  - 2.2 Jones Lang LaSalle shall exercise all reasonable skill and care in providing the Services under the Instruction and shall inform the Client if it becomes apparent that the Services need to be varied. The Client and Jones Lang LaSalle shall confirm in writing any variation of the Services to be provided under the Instruction.
3. **Assignment and Sub-Contracting**
  - 3.1 The Client shall, with the prior written consent of Jones Lang LaSalle, have the right to assign the whole or any part of the benefit or to transfer in any way the obligation contained in the Instruction, such consent shall not be unreasonably withheld (and it is hereby acknowledged that if the proposed assignee or novatee is, in the reasonable opinion of Jones Lang LaSalle, less creditworthy than the Client, it shall be reasonable to withhold such consent)..
  - 3.2 Jones Lang LaSalle shall have the right to sub-contract the performance of all or part of the Services from time to time. Should this occur, Jones Lang LaSalle will nevertheless and unless otherwise specifically agreed, remain responsible to the Client for the due and proper performance of the Services.
4. **Information provided by Client**
  - 4.1 The Client shall promptly provide to Jones Lang LaSalle all information as is necessary or reasonably requested by Jones Lang LaSalle in order to enable Jones Lang LaSalle to properly perform the Services.
  - 4.2 The Client accepts that Jones Lang LaSalle is entitled to rely on the accuracy, sufficiency and consistency of any and all information supplied by the Client. Jones Lang LaSalle accepts no liability for any inaccuracies contained in information disclosed by the Client, whether prepared by the Client or by a third party and whether or not supplied directly to Jones Lang LaSalle by that third party.
  - 4.3 Save as expressly agreed herein, except where required by law or by any proper authority or where the Client has waived such rights in writing, all confidential information provided by the Client shall be kept confidential by Jones Lang LaSalle.
  - 4.4 Jones Lang LaSalle shall ensure that all persons whether employed by it or working under its direction in the course of performing the Services abide strictly by the obligation to keep all confidential information provided by the Client confidential.
  - 4.5 All confidential information provided by the Client will be returned, destroyed or erased upon the Client's request. Save that Jones Lang LaSalle reserves the right to retain one copy of the confidential information for the purpose of compliance with professional, legal or regulatory requirements or obligations (subject always to its continuing duty to treat such information as confidential).
5. **Information provided by Jones Lang LaSalle**
  - 5.1 Copyright in all material of whatever nature prepared by Jones Lang LaSalle and provided to the Client or otherwise generated in the course of carrying out the Services shall remain the property of Jones Lang LaSalle. No part of any report, document or publication may be reproduced or transmitted or disclosed in any form or by any means, or stored in any database or retrieval system of any nature, without the prior written permission of Jones Lang LaSalle.
  - 5.2 All information and advice made available by Jones Lang LaSalle to the Client is for the sole use of the Client and for the sole purpose for which it was prepared in connection with the Services.
6. **Duty of care to third parties**

Jones Lang LaSalle owes a duty of care to only its Client. No third party has any rights unless there is specific written agreement to the contrary.

**7. Third Party Liability**

- 7.1 Jones Lang LaSalle has no liability for products or services that it reasonably needs to obtain from others in order to provide services. Jones Lang LaSalle may delegate to a third party the provision of any other part of services, but if it does so:
- (a) without the Client's approval, Jones Lang LaSalle shall be responsible for the actions or omissions of that third party;
  - (b) with the Client's approval or at the Client's request, Jones Lang LaSalle shall not be responsible for the actions or omission of that third party. In this event, Jones Lang LaSalle does not warrant the performance, work or the products of others and the Client shall not hold Jones Lang LaSalle responsible for the inspection or supervision of the execution of such performance, work or products.
- 7.2 Unless otherwise specifically agreed in writing neither these Terms and Conditions of Business or the Services provided pursuant to the Instruction are intended, either expressly or by implication, to confer any benefit on any third party (excepting that is as provided specifically herein to the employees and subcontractors of Jones Lang LaSalle). The liability of Jones Lang LaSalle to any third party is expressly disclaimed.

**8. Delay**

We shall not be responsible for any delay to the performance of the Services, where matters beyond our control cause such delay.

**9. Payment of Fees, Expenses and Disbursements**

- 9.1 Payment of the fees for the Services shall be calculated, charged and made as set out in the letter of instruction or any variation thereto agreed by the Client and Jones Lang LaSalle.
- 9.2 The Client shall pay the expenses of and reimburse the disbursements incurred on its behalf by the Firm as specified, or on the basis set out in the Instruction or any variation thereto agreed by the Client and the Firm.
- 9.3 All references to fees, expenses and disbursements are exclusive of any applicable government taxes. Any such taxes chargeable on the Firm's fees expenses and disbursements shall be paid by the Client.
- 9.4 Where for any reason the Firm provides only part of the services as specified in the attached proposal, the Firm shall be entitled to fees proportionate to those services set out in the attached proposal that apportioned, based on our estimate of the percentage of completion.
- 9.5 In the event that invoices are not settled in full within 28 days of submission, the Firm reserves the right to withdraw responsibility for work performed.
- 9.6 If an invoice is not paid in full within 30 (thirty) days from the date of issuance, Jones Lang LaSalle shall be entitled to charge interest on the balance due at a daily rate of 0.05%.

**10. Termination**

- 10.1 In the event that either party is in material or persistent breach of any of the terms of the Instruction, the other party may terminate the instruction if, upon the expiry of 14 days after serving notice on the party in default, steps have not been taken to remedy the breach.
- 10.2 On termination of the Instruction, the Firm shall be entitled to, and shall be paid, fees for all Services provided to that time, in accordance with the above clause.
- 10.3 On termination, Jones Lang LaSalle shall return to the Client or, if the Client so instructs in writing, destroy all Client information that is to be kept confidential, but Jones Lang LaSalle may keep (and must continue to keep confidential) one copy of that information to comply with legal, regulatory or professional requirements.

**11. Liability**

- 11.1 Our liability to the Client for loss or damage shall be limited to such sum as Jones Lang LaSalle or Jones Lang LaSalle Property Consultants Pte Ltd ("us", "we" and/or "the Firm") ought reasonably to pay having regard to its direct responsibility for the same and on the basis that all other third parties shall, where retained by the Client, be deemed to have provided to the Client contractual undertakings in terms no less onerous than this clause in respect of the performance of their services in connection with the instruction, and shall be deemed to have paid to the Client such proportion as may be just and equitable having regard to the extent of their responsibility for such loss or damage.
- 11.2 Unless otherwise agreed, our liability to the Client for loss or damage claimed in respect of any Instruction shall, notwithstanding the provisions of the paragraph above, in any event be limited to an aggregate sum not exceeding S\$1,000. This cap on liability will not apply to loss caused by the Firm in the case of its fraud or wilful default. In no event shall the Firm be liable to the Client or to any third party with respect to the Instruction for any (a) incidental, special,

punitive, consequential or indirect damages or (b) damages resulting from loss of sale, business, profits, opportunity or goodwill.

- 11.3 Unless, and to the extent finally and judicially determined to have been caused by fraud, wilful default or negligence of the Firm, the Client agrees to indemnify on demand and hold harmless the Firm against all actions, claims, proceedings, losses, damages, costs and expenses whatsoever and howsoever arising from or in any way connected with the Instruction or the provision of Services thereunder.
- 11.4 Unless and until any such agreement is reached and recorded in writing, Jones Lang LaSalle will accept no responsibility or owe no duties to the Client which relate to matters beyond the scope of the Services.
- 11.5 The Client acknowledges that any action, claim or proceedings arising out of the Services provided under the Instruction shall be brought against the Firm with whom the Client has contracted and not against any employee, director or subcontractor of Jones Lang LaSalle involved directly or indirectly in the delivery of the Services.
- 11.6 The Client agrees that (except for fraud or a criminal offence) no employee, consultant or agent of any member of the Jones Lang LaSalle group of companies has any personal liability to the Client, and that neither the Client nor anyone representing the Client will make a claim or bring proceedings against an employee, consultant or agent personally.

## **12. Indemnity from the Client**

- 12.1 The Client agrees that it shall indemnify and keep indemnified the Firm from and against all claims, actions, proceedings, demands, liabilities, losses, damages, costs (including reasonable legal costs) and expenses ("Losses") which the Firm may suffer or incur in any jurisdiction arising out of or in connection with:
  - (i) a breach by the Client of the Agreement or the Terms and Conditions; or
  - (ii) any negligence, act, default or omission by the Client, or the Client's consultants, employees or agents; or
  - (iii) any inaccuracies or omissions in information supplied by Clients and/or its agents to the Firm and/or its agents; or
  - (iv) any claim by a third party that any information or material infringes the intellectual property rights of a third party where such information or material was provided by the Client and/or its agents to the Firm and/or its agents; or
  - (v) the Instruction or the provision of Services thereunder

provided that the Client shall be relieved from its indemnity obligations to the extent that any Losses are directly caused by or attributable to Jones Lang LaSalle's fraud, negligence or wilful default under the letter of instruction or these Terms and Conditions. Without prejudice to any claim that Jones Lang LaSalle may have against the Client, no proceeding may be taken against any director, officer, employee or agent of the Client in respect of any claim except for fraud or a criminal offence.

## **13. Duty of care to the Client**

- 13.1 Jones Lang LaSalle owes to the Client a duty to act with reasonable skill and care in providing services, complying with the Client's instructions where those instructions do not conflict with:
  - (i) these Terms and Conditions,
  - (ii) the Agreement, or
  - (iii) applicable law and professional rules and internal policies of Jones Lang LaSalle including but not limited to the Code of Business Ethics.
- 13.2 Jones Lang LaSalle has no liability for the consequences of any failure by the Client or any agent of the Client to promptly provide information or other material that Jones Lang LaSalle reasonably requires, or where that information or material is inaccurate or incomplete.

## **14. Dispute Resolution Procedure**

- 14.1 In the event of any complaint, dispute or difference arising out of or in connection with these Terms and Conditions or the related letter of instruction, senior representatives of the Client and the Firm shall, within fourteen (14) days of a notice from either party to the other, meet in good faith in an effort to resolve the issue amicably.
- 14.2 If the parties are unable to resolve the issue within twenty eight (28) days of a meeting involving the parties' senior representatives, then, either party may submit such dispute to arbitration. Any such arbitration shall take place at the Singapore International Arbitration Centre ("SIAC") in accordance with the then prevailing rules of SIAC. The arbitration tribunal shall consist of one arbitrator selected by SIAC. The arbitration shall be conducted in English. The arbitral award will be final and binding upon both parties. Each party will bear its own attorney's fees and costs related to the arbitration. Judgment upon the award may be entered in any court of competent jurisdiction for execution.



**15. On line Services**

Jones Lang LaSalle may in order to facilitate delivery of the Services and/or general communication with the Client, offer and/or provide from time to time electronic systems and/or software to the Client which shall be provided on the then prevailing terms and conditions by which Jones Lang LaSalle provides such electronic systems and/or software.

**16. Severance**

Any provision of the Instruction, including any provision contained in the General Conditions, which is declared void or unenforceable by any competent authority or court shall, to the extent of such invalidity or unenforceability, be deemed severable and shall not affect the other provisions of the Instruction and General Conditions, which will continue unaffected.

**Definitions**

"Affiliate": means each subsidiary, associate and holding company and each subsidiary and associate of any such holding company and their respective directors, officers, employees and agents.

"Client": means the person, firm or company named in the Instruction as requiring the Services.

"General Conditions": means these General Terms and Conditions of Business subject only to such amendments as may be agreed with Jones Lang LaSalle.

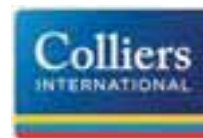
"Instruction": shall mean the letter of instruction between Jones Lang LaSalle and the Client as signed by both parties or as otherwise evidenced in writing and which sets out the requirements of the Client and which shall incorporate details of the Services and the Fees, Expenses and Disbursements, together with these General Conditions and conditions and/or documents expressly referred to in the Instruction, all of which shall be read as one as if set out in full in it.

"Schedule": shall mean, where appropriate, any description of Services, Fees, Expenses and Disbursements, whether letter, list or other document.

"Special Conditions": shall mean any conditions specifically applicable to the instruction and which, in case of conflict with the General Conditions, shall prevail.

"Services": shall mean the services to be provided by Jones Lang LaSalle as specified in the instruction or variations or amendments thereto agreed by Jones Lang LaSalle in writing.

"Agreed by Jones Lang LaSalle" and "consent of Jones Lang LaSalle" shall mean the agreement in writing by an authorised person in Jones Lang LaSalle (or of any successor or assign).



3 June 2013

The Board of Directors  
Pan Pacific Hotels Group Limited  
101 Thomson Road  
# 33-00 United Square  
Singapore 307591

Dear Sirs,

**RE: Parkroyal Melbourne Airport, Arrivals Drive, Melbourne Airport, Tullamarine, Victoria, Australia (our ref HTV1063)**

#### **Instructions**

We refer to your recent request for a valuation update in relation to our valuation of the above leasehold interest completed under instructions from the **Pan Pacific Hotels Group Limited for first mortgage security and financial reporting purposes as at 31 December 2012.**

We are pleased to provide herein our update of the valuation as at **31 March 2013**. We confirm the certificate has been prepared for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by UOL Group Limited for the Company.

We refer to our original valuation dated **31 December 2012 (our ref HTV1047)** in respect to the above property and highlight that our updated valuation is subject to the details and comments, terms, conditions and assumptions contained within the full valuation report, the comments within this letter and our schedule of Terms and Conditions as attached.

#### **Date of Valuation**

We advise that the property was originally inspected on **8 December 2012** and with consideration of the property details and relevant market evidence the valuation was issued as at the date of valuation of **31 December 2012** at a figure of **\$84,000,000 Australian Dollars (AUD)** subject to the existing lease and **\$94,000,000 AUD** on the assumption that the further option period of 49 years is granted **which we note is not guaranteed**. We have been instructed to update this valuation as at 31 March 2013 and confirm we reinspected the hotel on 17 May 2013 and have assumed the property to be in the same condition on the valuation date as the inspection date..

Should this update become in excess of three months old our assignment authority is specifically rescinded, in which case we will require an updated valuation report to be prepared subsequent to a re-inspection of the property and analysis of additional market evidence.



## Revised Valuation

### Inspection

As outlined above we have completed an updated valuation including a property inspection on 17 May 2013. Our inspection revealed that there has been no material change to the subject property since our previous inspection.

### Review of Property

In addition to no material change to the physical characteristics of the subject property, we have reviewed updated accounts to the end of March 2013 and forecasts for the calendar year 2013 and interviewed the General Manager and Financial Controller of the hotel.

### Sales Evidence

We refer to the market commentary section of the valuation report which sets out a range of sales evidence pertinent to the subject property. Since the original date of valuation we note that the following sales have occurred which include two transactions in Sydney as well as the Melbourne Transaction. We confirm that due to the lack of recent transactions in Melbourne we have also given consideration to the Sydney evidence.

Schedule of Selected Sales								
Property	Star rating	Date of Sale	Price (millions)	No of rooms	Price per room	Passing yield	Projected Initial Yield	I.R.R.
Diamant Hotel, Potts Point, Sydney	4.0	May-13	\$15.00	76	\$197,368	7.92%	8.28%	11.00%
Ibis Hotel at Kings Street Wharf, Sydney	3.5	May-13	\$25.00	91	\$274,725	6.80%	7.00%	10.00%
Holiday Inn on Flinders, Melbourne	4.5	May-13	\$47.00	202	\$232,673	N/A	7.90%	N/A

The analysis provided on the Ibis and Holiday Inn transactions is based on our understanding of the transactions which may differ from the actual price paid as both have been the subject of confidentiality agreements. The yields reflected on the Ibis are considered to be low taking into account the 3.5 Star quality of the hotel and reflect the perceived future upside for the hotel with its proximity to the Barangaroo Development and also the planned expansion and redevelopment of the Sydney Convention and Entertainment Precinct.



## Valuation

Our general observation from the 2013 year to date transactions and market enquiries is there has not been a significant change in values over the three months to March 2013 although we note the Melbourne Market experienced 3.3% rate growth and 2.7% occupancy growth to \$196.64 and 83.8% respectively for the year to date March 2013 according to research carried out by Smith Travel Research (STR) and based on a sample of 77 Melbourne hotels primarily of a four and five star quality.

We therefore believe that based on the updated trading information provided and more recent market evidence that the value adopted within our original valuation report dated 31 December 2012 is still supported as at **31 March 2013**. The valuation reflecting the current leasehold market value which assumes the lease is not extended beyond the termination date of 30 June 2047 from our calculations increases slightly to **\$85,000,000 AUD(Eighty Five Million Dollars)** and on the assumption that the option period for a further 49 years is granted the value remains unchanged at **\$94,000,000 AUD(Ninety Four Million Dollars)**. A copy of our calculations is attached to this letter.

## **Qualification and Warning**

Colliers International Consultancy and Valuation (CICV) has been engaged by the Pan Pacific Hotels Group to provide an updated valuation for the Parkroyal Melbourne Airport, Arrivals Drive, Melbourne Airport, Tullamarine, Victoria, Australia

The Pan Pacific Hotels Group wishes to include our valuation in a circular to the shareholders of Pan Pacific Hotels Group Limited ('Company') in connection with the exit offer by UOL Group Limited for the Company. and have requested CICV to consent to the inclusion of this letter. CICV consents to the inclusion of this letter in the circular to shareholders and have not withdrawn our consent at the date of this letter, subject to the condition that the Pan Pacific Hotels Group Limited include this Qualification and Warning: -

The valuation Certificate has been prepared for the Pan Pacific Hotels Group only and for the specific purpose outlined within the Instruction section of this letter/certificate and cannot be relied upon by third parties.

This valuation certificate as at the valuation date of 31 March 2013 has not been prepared for the purpose of assessing the property as an investment opportunity.

CICV has not been involved in the preparation of the circular and this valuation certificate has not had regard to the other material contained in the circular. This letter and its content do not take into account any matters concerning the investment opportunity contained in the circular.

CICV makes no representation or recommendation to a Recipient in relation to the valuation of the property or the investment opportunity contained in the Circular.

The Recipients must seek their own advice in relation to the investment opportunity contained in the Circular.

The events of early 2008 including the initial sub-prime fallout in the United States and subsequent Global Financial Crisis (GFC) created uncertain times for both the equities and property markets in Australia which impacted to varying degrees upon a variety of market participants. Whilst a degree of uncertainty still remains within these markets, the magnitude is notably less than that evident throughout 2008 and the majority of 2009. Improving levels of investor confidence and general market activity within Australian property markets were evidenced throughout 2010 and until early to mid-2011. Since this time the concerns regarding European sovereign debt crises appear to have re-introduced a layer of general market conservatism into domestic markets, somewhat setting back the momentum that appeared to be gaining throughout late 2010 and early 2011. We note that investment returns for good quality assets with secure cash flows generally stabilised over



2010, with a degree of yield compression evident for certain assets. We have seen this trend continue to date, although reinforce that healthy levels of demand are only evident for quality stock. In contrast, we note poorer quality continue to be priced by the shallower market on an opportunistic basis, and thereby remain at risk of a prolonged period of softer investment fundamentals. The degree of momentum in which improvement becomes evident will be related to the availability of funds from the major lending institutions.

Improving levels of general market activity over recent times appears to have resulted in growing investor confidence, albeit shallower than that experienced prior to the GFC.

We draw your attention to the fact that the market value adopted herein is subject to the issues outlined above, and should be closely monitored in light of future events. Furthermore, it is our recommendation that regular valuation updates be initiated and instructed by the party wishing to rely upon this valuation.

CICV has prepared this Certificate on the basis of, and limited to, the financial and other information (including market information and third party information) referred to in this Certificate and the Valuation Report dated 31 December 2012. We have assumed that the third party information is accurate, reliable and complete and confirm that we have not tested information in that respect.

#### **Liability Disclaimer**

In the case of advice provided in this Certificate and our valuation which is of a projected nature, we must emphasise that specific assumptions have been made by us which appear realistic based upon current market perceptions. It follows that any one of our associated assumptions set out in this letter and our valuation report dated 31 December 2012 and our attached terms of engagement may be prove to be incorrect during the course of time and no responsibility can be accepted by us in this event.

This Certificate has been prepared subject to the conditions referred to in our Qualification & Warning. Neither CICV nor any of its Directors makes any representation in relation to the Circular nor accepts responsibility for any information or representation made in the Circular, apart from this Certificate.

CICV has prepared this Certificate which appears in the Circular. CICV were involved only in the preparation of this certificate and the valuation report dated 31 December 2012 referred to herein, and specifically disclaim any liability to any person in the event of any omission from, or false or misleading statement included in the Circular, other than in respect of the valuation. We confirm that this Certificate may be used in the Circular.

The valuation is current as at the date of the valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period as a result of general market movements or factors specific to the particular property. We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

CICV confirms that it does not have a pecuniary interest that would conflict with its valuation of the property.

CICV is not providing advice about a financial product, nor the suitability of the investment set out in the Circular. Such an opinion can only be provided by a person who holds an appropriate Financial Services Licence. CICV does not, nor does the Valuer, hold an Australian Financial Services Licence and is not operating under such a licence in providing its opinion as to the value of the property detailed in this report.

This valuation is current at the date of valuation only being 31 March 2013. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property).

Liability for losses arising from such subsequent changes in value is excluded as is liability where the valuation is relied upon after the date of valuation.



Colliers International Consultation and Valuation Pty Limited (CICV) authorises the Pan Pacific Hotels Group to rely upon our valuation of **Parkroyal Melbourne Airport, Arrivals Drive, Melbourne Airport, Tullamarine, Victoria, Australia** (our ref HTV1063) prepared for the inclusion in the Circular to the shareholders of Pan Pacific Hotels Group Limited ("Company") in connection with the exit offer by UOL Group Limited for the Company only, subject to the comments, terms, conditions and assumptions contained within the valuation report dated 31 December 2012 and the comments within this letter and the schedule of terms and conditions, as attached.

We trust that this letter is appropriate for your requirements, however should you have any further queries regarding this matter please do not hesitate to contact the undersigned directly on (02) 9257 0245 or by email at michael.thomson@colliers.com.

Yours sincerely

**Colliers International Consultancy and Valuation Pty Limited**

A handwritten signature in blue ink, appearing to read "Michael Thomson", with a long horizontal flourish extending to the right.

Michael Thomson  
National Director | Hotels and Leisure





IT IS AGREED AS FOLLOWS:

**1. DEFINITIONS**

**'Confidential information'** means information that:

- (a) Is by its nature confidential;
- (b) Is designated by Us as confidential;
- (c) You know or ought to know is confidential;
- (d) and includes, without limitation:
  - (i) Information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services; and
  - (ii) The Quotation annexed hereto.

**'Currency Date'** means, in relation to any valuation or consultancy report, the date as at which our professional opinion is stated to be current.

**'Fee'** means the amount agreed to be paid for the Services as set out in the Quotation.

**'Parties'** means You or Us as the context dictates.

**'Quotation'** means the written quote provided by Us in relation to the Services.

**'Services'** means the valuation or consultancy services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the services.

**'We', 'Us', 'Our'** means Colliers International Consultancy and Valuation Pty Limited (ABN 88 076 848 112).

**'You', 'Your'** means the entity engaging Us to perform the Services as set out in the Quotation.

**2. PERFORMANCE OF SERVICES**

- 2.1. We will provide the Services in accordance with:
  - (a) The Terms and Conditions contained herein; and
  - (b) The required provisions of the current Australian Property Institute Professional Practice standard.

**3. CONDITION OF THE PROPERTY**

- 3.1. In undertaking the Services We will have regard to the apparent state of repair, condition and environmental factors in relation to the property based upon a visual inspection, but We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
- 3.2. We will assume that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
- 3.3. We will not undertake a detailed inspection of any plant and equipment or obtain advice on its condition or suitability.
- 3.4. We recommend that You engage appropriately qualified persons to undertake investigations excluded from the Services.
- 3.5. No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.

**4. ENVIRONMENT AND PLANNING**

- 4.1. We will obtain only verbal town planning information. It is Your responsibility to check the accuracy of this information by obtaining a certificate under the appropriate legislation.
- 4.2. State or Federal Laws may require environmental audits to be undertaken before there is a change of land use. You will provide such audits to Us where they are required. We will not advise You whether such audits are required or obtain such audits. If You do not provide Us with such audits We will perform the Services on the assumption that such audits are not required.

**5. BUILDING AREAS AND LETTABLE AREAS**

- 5.1. Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the Property Council of Australia (PCA) Method of Measurement.

- 5.2. If You do not provide Us with a survey, We will estimate building and/or lettable areas based only upon available secondary information (including but not limited to building plans, Deposited Plans, and our own check measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the Property Council of Australia (PCA) Method of Measurement.
- 5.3. Where such a survey is subsequently produced which differs from the areas estimated then You will refer the valuation or consultancy advice back to Us for comment or, where appropriate, amendment.

**6. OTHER ASSUMPTIONS**

- 6.1. Unless otherwise notified by You, We will assume:
  - (a) there are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title; and
  - (b) all licences and permits can be renewed and We will not make any enquiries in this regard.
- 6.2. Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with the Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/dilapidation reports), We will rely upon the apparent expertise of such experts/specialists. We will not verify the accuracy of such information or reports.

**7. VALUATION FOR FIRST MORTGAGE SECURITY**

- 7.1. Where the Services are provided for mortgage purposes, You agree that You will not use the valuation or consultancy report where the property is used as security other than by first registered mortgage.
- 7.2. We reserve the right, at Our absolute discretion, to determine whether or not to assign Our valuation to any third party. Without limiting the extent of Our discretion, We may decline a request for assignment where:
  - (a) the proposed assignee is not a major recognised lending institution (such as a major bank);
  - (b) the assignment is sought in excess of 3 months after the date of valuation;
  - (c) We consider that there has been a change in conditions which may have a material impact on the value of the property;
  - (d) the proposed assignee seeks to use the valuation for an inappropriate purpose (including in a manner inconsistent with Your agreement at clause 7.1); or
  - (e) Our Fee has not been paid in full.
- 7.3. Where We decline to provide an assignment on either of the bases at 7.2(b) or (c), We may be prepared to provide an updated valuation on terms to be agreed at that time.
- 7.4. In the event that You request us to assign Our valuation and We agree to do so, You authorise Us to provide to the assignee a copy of these Terms and Conditions, the Quotation and any other document, including instructions provided by You, relevant to the scope of Our Services.

**8. ESTIMATED SELLING PRICE**

- 8.1. Where You instruct Us to provide an Estimated Selling Price, You agree that the Services:
  - (a) are limited to the provision of an opinion based upon Our knowledge of the market and informal enquiries.
  - (b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search on Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.
  - (c) provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
- 8.2. No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.



**9. CURRENCY OF VALUATION**

- 9.1. Due to possible changes in market forces and circumstances in relation to the subject property the Services can only be regarded as relevant as at the Currency Date.
- 9.2. Where You rely upon Our valuation or consultancy report after the Currency Date, You accept the risks associated with market movement between the Currency Date and the date of such reliance.
- 9.3. Without limiting the generality of 9.2, You should not rely upon Our valuation or consultancy report:
  - (a) after the expiry of 3 months from the Currency Date;
  - (b) where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation or consultancy report.

**10. MARKET PROJECTIONS**

- 10.1. Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only, and may prove to be inaccurate. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.
- 10.2. Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.
- 10.3. Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.

**11. YOUR OBLIGATIONS**

- 11.1. You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.
- 11.2. You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.
- 11.3. You authorise and licence us to incorporate Your intellectual property within our report(s).
- 11.4. You will not release any part of Our valuation or consultancy report or its substance to any third party without Our written consent. Such consent will be provided at Our absolute discretion and on such conditions as We may require including that a copy of these Terms and Conditions be provided to such third party. This clause shall not apply to persons noted as recipients in Your prior instruction to Us or in the Quotation provided that You shall provide any such recipient with a copy of these Terms and Conditions.
- 11.5. If You release any part of the valuation or consultancy advice or its substance with our written consent, You agree: a) to inform the other person of the terms of our consent; and b) to compensate Us if You do not do so. We have no responsibility to any other person even if that person suffers damage as a result of any other person receiving this valuation or consultancy advice.
- 11.6. You must pay our Fees within 14 days of the date of a correctly rendered invoice. Fees that remain unpaid for a period of 30 days or more will attract an administration charge of 2% of the total of the invoice calculated per month or part thereof.

- 11.7. We reserve the right to reconsider or amend the valuation or consultancy advice, or the Fee set out in our Quotation to You if:

- (a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or
- (b) Where subsequent site inspections made in relation to any of the matters raised in clause 3 materially affect or may alter the value of the property the subject of the Services.

**12. CONFIDENTIALITY**

- 12.1. You must not disclose or make any of the Confidential Information available to another person without Our written consent.
- 12.2. If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.

**13. PRIVACY**

- 13.1. We may obtain personal information about You in the course of performing Our Services. We respect Your privacy. The Privacy Amendment (Private Sector) Act, 2001 requires Us to advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us. A copy of Our Privacy Policy can be obtained by contacting Our Chief Privacy Officer.

**14. SUBCONTRACTING**

- 14.1. We may subcontract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

**15. LIABILITY**

- 15.1. You agree to release Us and hold Us harmless from all liability to You for or in respect of any loss, damage, costs and expenses of whatsoever kind which we have or may have or, but for the operation of this Clause, might have had arising from or in any way connected with the Services or the use of the Services or any part of them. This release shall be complete and unconditional except in the case of gross negligence or wilful misconduct by Us in the provision of the Services.
- 15.2. You agree that You will fully indemnify Us for and in respect of all loss, liability, costs and expenses of whatsoever kind which We may suffer or incur arising from or in any way connected with any breach by You of Clause 11 or Clause 12. This indemnity shall include but not be limited to loss, liability, costs and expenses which we may suffer or incur in respect of any claims, actions, proceedings, disputes or allegations made against Us or to which we are a party.

**16. ENTIRE AGREEMENT**

- 16.1. No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.
- 16.2. If there is an inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information, the other specific request or information shall prevail to the extent of the inconsistency.

**COLLIERS INTERNATIONAL CONSULTANCY & VALUATION PTY LTD**  
**Parkroyal Melbourne Airport, Melbourne**  
**Hotel Property Investment Analysis Model**  
**10 Year Valuation**



Valuation Date: 31 March 2013

**Passing Income Capitalised**

Passing Income (Last Financial Owners' Income)	30-Dec-12	5,460,397
Capitalised for 34.27 years at		6.00%
<b>Capitalised Value</b>		<b>76,650,580</b>

**Projected Income Capitalised**

Projected Income	6,899,206	Capitalised for 34.27 years	88,860,279
Passing Income (Year 1)	-	-	-
-	-	-	-
-	-	-	-
<b>Capitalised Value</b>			<b>88,860,279</b>

**Discounted Cash Flow**

Year Ending	Owners' Income	Discount Factor	Discounted Cash Flow	Terminal Value	Disposal Costs	NPV	Running Yield
1 31-Mar-14	6,899,206	0.909	6,272,006				8.12%
2 31-Mar-15	7,331,698	0.826	6,059,255				8.63%
3 31-Mar-16	7,732,171	0.751	5,809,294				9.10%
4 31-Mar-17	7,937,425	0.683	5,421,368				9.34%
5 31-Mar-18	8,235,944	0.621	5,113,873				9.69%
6 31-Mar-19	8,532,854	0.564	4,816,573				10.04%
7 31-Mar-20	8,826,608	0.513	4,529,446				10.38%
8 31-Mar-21	9,063,264	0.467	4,226,079				10.66%
9 31-Mar-22	9,391,466	0.424	3,992,898				11.05%
10 31-Mar-23	9,713,321	0.386	3,744,906	107,873,801	(809,054)	91,255,794	11.43%
11 31-Mar-24	10,206,553						

Discount Rate (IRR)

Terminal Yield (Capitalised for 24.27 years)

10 Year NPV (Before Acquisition Costs)

Acquisition Costs

10 Year NPV (After Acquisition Costs)

**86,484,809**

**Valuation Summary**

Passing Income Capitalised	76,650,580
Projected Income Capitalised	88,860,279
Discounted Cash Flow	86,484,809

Estimated Value before Capital Adjustments

Less Capital Expenditure

Plus Surplus Assets/(Liabilities)

Estimated Value after Capital Adjustments

**Valuation as at 31-Mar-2013**

Valuation per Room (Hotel Only)

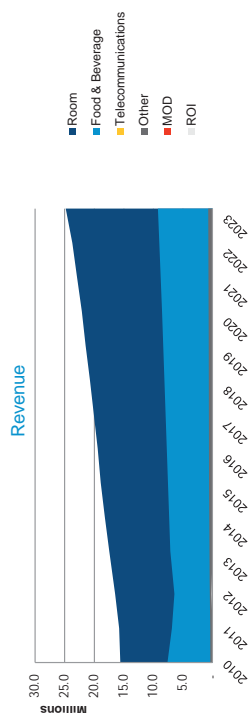
307,971

Initial Yield

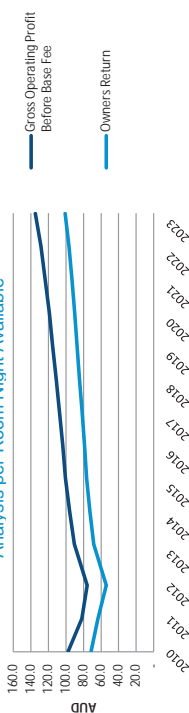
8.12%

Passing Yield

6.42%



**Analysis per Room Night Available**



**NPV Sensitivity Analysis**

NPV	7.50%	7.75%	8.00%	8.25%	8.50%
9.25%	92,414,630	91,492,799	90,601,950	89,740,791	88,908,083
9.50%	90,868,593	89,967,594	89,096,876	88,255,178	87,441,297
9.75%	89,356,691	88,476,007	87,624,921	86,802,201	86,006,670
10.00%	87,878,057	87,017,185	86,185,245	85,381,033	84,603,399
10.25%	86,431,848	85,590,299	84,777,033	83,990,872	83,230,692
10.50%	85,017,246	84,194,543	83,399,491	82,630,896	81,887,781
10.75%	83,633,453	82,829,135	82,051,848	81,300,467	80,573,918

**Valuation Sensitivity Analysis**

NPV	Value per room	Initial Yield
9.25%	90,601,950	7.61%
9.50%	89,096,876	7.74%
9.75%	87,624,921	7.87%
10.00%	86,185,245	8.01%
10.25%	84,777,033	8.14%
10.50%	83,399,491	8.27%
10.75%	82,051,848	8.41%

WE MUST ADVISE THAT PROJECTIONS ARE INHERENTLY MORE UNCERTAIN THAN OPINIONS OF CURRENT VALUE. THE EXERCISE OF MAKING PROJECTIONS IS NECESSARILY PROBLEMATIC AND THE RESULTANT VALUES SHOULD BE REGARDED AS INDICATIVE ESTIMATES OF PROBABILITY RATHER THAN CERTAINTY.



#### Passing Income Capitalised

Passing Income (Last Financial Owners' Income)	30-Dec-12	5,460,397
Capitalised for 83.30 years at		6.00%
<b>Capitalised Value</b>		<b>90,297,052</b>

#### Projected Income Capitalised

Projected Income	6,899,206	Capitalised for 83.30 years	98,208,602
Passing Income (Year 1)	-	7.00%	-
-	-	(6,899,206)	-
-	-	-	-
<b>Capitalised Value</b>			<b>98,208,602</b>

#### Discounted Cash Flow

Year Ending	Owners' Income	Discount Factor	Discounted Cash Flow	Terminal Value	Disposal Costs	NPV	Running Yield
1 31-Mar-14	6,899,206	0.909	6,272,006				7.34%
2 31-Mar-15	7,331,698	0.826	6,059,255				7.80%
3 31-Mar-16	7,732,171	0.751	5,809,294				8.23%
4 31-Mar-17	7,937,425	0.683	5,421,368				8.44%
5 31-Mar-18	8,235,944	0.621	5,113,873				8.76%
6 31-Mar-19	8,532,854	0.564	4,816,573				9.08%
7 31-Mar-20	8,826,608	0.513	4,529,446				9.39%
8 31-Mar-21	9,063,264	0.467	4,225,079				9.64%
9 31-Mar-22	9,391,466	0.424	3,992,898				9.95%
10 31-Mar-23	9,713,321	0.386	3,744,906	127,129,333	(953,470)	98,623,956	10.33%
11 31-Mar-24	10,206,553						

#### Discount Rate (IRR)

Terminal Yield (Capitalised for 73.30 years)	10.00%
10 Year NPV (Before Acquisition Costs)	8.00%
Acquisition Costs	98,623,956
<b>10 Year NPV (After Acquisition Costs)</b>	<b>93,467,194</b>

#### Valuation Summary

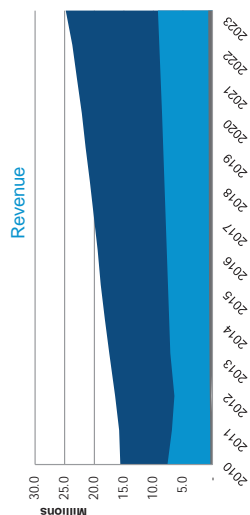
Passing Income Capitalised	90,297,052
Projected Income Capitalised	98,208,602
Discounted Cash Flow	93,467,194

#### Estimated Value before Capital Adjustments

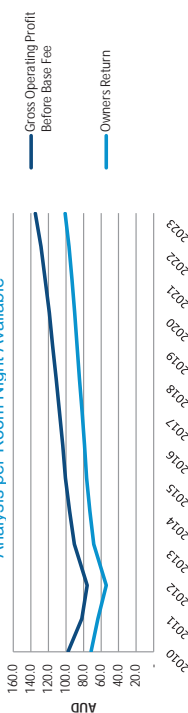
Less Capital Expenditure	93,990,949
Plus Surplus Assets/(Liabilities)	
Estimated Value after Capital Adjustments	93,990,949

#### Valuation as at 31-Mar-2013

Valuation per Room (Hotel Only)	276 rooms	94,000,000
Valuation as at 31-Mar-2013		340,580
Initial Yield		7.34%
Passing Yield		5.81%



#### Analysis per Room Night Available



#### NPV Sensitivity Analysis

NPV	7.50%	7.75%	8.00%	8.25%	8.50%
9.25%	92,414,630	91,492,799	90,601,950	89,740,791	88,908,083
9.50%	90,868,593	89,967,594	89,096,876	88,255,178	87,441,297
9.75%	89,356,691	88,476,007	87,624,921	86,802,201	86,006,670
10.00%	87,878,057	87,017,185	86,185,245	85,381,033	84,603,399
10.25%	86,431,848	85,590,299	84,777,033	83,990,872	83,230,692
10.50%	85,017,246	84,194,543	83,399,491	82,630,896	81,887,781
10.75%	83,633,453	82,829,135	82,051,848	81,300,467	80,573,918

#### Valuation Sensitivity Analysis

NPV	Value per room	Initial Yield
9.25%	90,601,950	7.61%
9.50%	89,096,876	7.74%
9.75%	87,624,921	7.87%
10.00%	86,185,245	8.01%
10.25%	84,777,033	8.14%
10.50%	83,399,491	8.27%
10.75%	82,051,848	8.41%

WE MUST ADVISE THAT PROJECTIONS ARE INHERENTLY MORE UNCERTAIN THAN OPINIONS OF CURRENT VALUE. THE EXERCISE OF MAKING PROJECTIONS IS NECESSARILY PROBLEMATIC AND THE RESULTANT VALUES SHOULD BE REGARDED AS INDICATIVE ESTIMATES OF PROBABILITY RATHER THAN CERTAINTY.



## PAN PACIFIC HOTELS GROUP LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 196800248D)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Pan Pacific Hotels Group Limited (the “**Company**”) will be held at PARKROYAL on Pickering, William Pickering Ballroom, Level 2, 3 Upper Pickering Street, Singapore 058289 on 30 July 2013 at 12.15 p.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolution (on a poll to be taken) to be passed in accordance with the requirements of the listing manual (“**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Rule 1307 Resolution**”):

#### RULE 1307 RESOLUTION

##### Approval for the Voluntary Delisting of the Company

That:

- (a) the voluntary delisting of the Company from the Official List of the SGX-ST under Rules 1307 and 1309 of the Listing Manual (the “**Delisting Proposal**”), pursuant to which the Exit Offer (as defined in the circular to shareholders dated 15 July 2013 (the “**Circular**”)) would be made to the shareholders of the Company on the terms and conditions set out in the Circular, be and is hereby approved; and
- (b) the directors of the Company and each of them be and is hereby authorised and empowered to complete and to do all such acts and things as they may consider necessary or expedient to give effect to the Delisting Proposal and/or this Resolution, with such modification thereto (if any) as they or he shall think fit in the interests of the Company.

By Order of the Board

Yeong Sien Seu  
Company Secretary  
Singapore

15 July 2013

#### Notes:

A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.

The instrument appointing a proxy must be deposited at the registered office of the Company at 101 Thomson Road, #33-00 United Square, Singapore 307591, not less than 48 hours before the time set for the Extraordinary General Meeting or any postponement or adjournment thereof.

For further information pertaining to the Delisting Proposal, please refer to the Circular, an electronic copy of which is available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).

# PAN PACIFIC HOTELS GROUP LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 196800248D)

## IMPORTANT:

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

## PROXY FORM

(Please see notes overleaf before completing this Form)

I/We, \_\_\_\_\_

of \_\_\_\_\_

being a \*member/members of Pan Pacific Hotels Group Limited (the "**Company**"), hereby appoint:

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

\*and/or failing \*him/her/them

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

or failing \*him/her/them, the Chairman of the Extraordinary General Meeting or such other person the Chairman of the Extraordinary General Meeting may designate, as \*my/our proxy/proxies to attend and vote for \*me/us on \*my/our behalf at the Extraordinary General Meeting of the Company to be held at PARKROYAL on Pickering, William Pickering Ballroom, Level 2, 3 Upper Pickering Street, Singapore 058289 on 30 July 2013 at 12.15 p.m. and at any adjournment thereof. \*I/We direct \*my/our proxy/proxies to vote for or against the Resolution to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the \*proxy/proxies will vote or abstain from voting at his/her/their discretion as \*he/she/they think fit.

Ordinary Resolution	For**	Against**
To approve the voluntary delisting of the Company pursuant to Rules 1307 and 1309 of the Listing Manual		

\* Delete accordingly

\*\* Please indicate your vote "For" or "Against" with an "X" within the box provided. If you wish to exercise all your votes "For" or "Against", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

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

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature of Shareholder(s)  
or, Common Seal of Corporate Shareholder



**Notes:**

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. Where a member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. If no such proportion is specified, the first named proxy shall be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named proxy.
3. A member should insert the total number of Shares held. If the member has Shares entered against his/her name in the Depository Register (as defined in Section 130A of the Companies Act (Chapter 50 of Singapore)), he/she should insert that number of Shares. If the member has Shares registered in his/her name in the Register of Members of the Company, he/she should insert that number of Shares. If the member has Shares entered against his/her name in the Depository Register and registered in his/her name in the Register of Members, he/she should insert the aggregate number of Shares entered against his/her name in the Depository Register and Register of Members of the Company. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by the member.
4. Completion and return of the instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Extraordinary General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Extraordinary General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Extraordinary General Meeting.
5. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 101 Thomson Road, #33-00 United Square, Singapore 307591, not less than 48 hours before the time set for the Extraordinary General Meeting or any postponement or adjournment thereof.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy or proxies, failing which the instrument may be treated as invalid.
7. A corporation which is a member may, in accordance with Section 179 of the Companies Act (Chapter 50 of Singapore), authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies, if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged, if the member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.