



SPH REIT MANAGEMENT PTE. LTD.
(Registration No: 201305497E)
(Incorporated in the Republic of Singapore)

POSSIBLE CHAIN OFFER FOR SPH REIT

1. Introduction

1.1. The board of directors (the “**Board**”) of SPH REIT Management Pte. Ltd., as manager of SPH REIT (the “**Manager**”), refers to:

1.1.1. the announcement issued by Cuscaden Peak Pte. Ltd. (“**Cuscaden**”) on 29 October 2021 (the “**Possible Offer Announcement Date**”) in respect of its intention and proposal to acquire all the issued and paid-up ordinary shares in the capital of Singapore Press Holdings Limited (“**SPH**”) (the “**SPH Shares**” and each, a “**SPH Share**”, and shareholders of SPH, the “**SPH Shareholders**”, and such announcement, the “**Possible Offer Announcement**”); and

1.1.2. The announcement issued by the Manager on 29 October 2021 to the unitholders of SPH REIT (“**Unitholders**”) in relation to the Possible Offer Announcement (the “**29 October 2021 Announcement**”).

1.2. Further to the Possible Offer Announcement and the 29 October 2021 Announcement, the Manager wishes to inform the Unitholders that SPH and Cuscaden has today jointly announced by way of a joint announcement (the “**Cuscaden Joint Announcement**”) that SPH and Cuscaden are proposing to undertake a proposed acquisition (the “**Acquisition**”) by Cuscaden of all the SPH Shares (excluding the treasury shares) from SPH Shareholders as at the Record Date¹ (the “**SPH Eligible Shareholders**” and each, a “**SPH Eligible Shareholder**”) via a scheme of arrangement (the “**Cuscaden Scheme**”) pursuant to Section 210 of the Companies Act, Chapter 50 of Singapore subject to the terms of the implementation agreement entered into between Cuscaden and SPH on 15 November 2021.

1.3. Unitholders are advised to refer to the Cuscaden Joint Announcement for details on the Cuscaden Scheme, a copy of which has been posted by the Manager on the SGXNET.

2. Cuscaden Scheme Consideration

2.1. As stated in the Cuscaden Joint Announcement, the consideration proposed by Cuscaden for the Cuscaden Scheme (the “**Cuscaden Scheme Consideration**”) is, at the election of each SPH Eligible Shareholder in respect of its shareholding, either:

¹ For the purpose of this Announcement, the “**Record Date**” means a record date to be announced by SPH on which the Transfer Books and the Register of Members of SPH will be closed in order to determine the entitlements of the SPH Eligible Shareholders in respect of the Cuscaden Scheme and the DIS.

- 2.1.1. S\$2.36 fully in cash for each SPH Share (“**All Cash Consideration**”); or
 - 2.1.2. S\$1.602 in cash and 0.782 SPH REIT Units (as defined below) for each SPH Share (“**Cash and Units Consideration**”),
- 2.2. To give effect to the Cash and Units Consideration, SPH Shareholders will need to approve and SPH will need to undertake, a distribution *in specie* (the “**DIS**”) of such number of issued units in SPH REIT (“**SPH REIT Units**”) which will result in the SPH Eligible Shareholders receiving 0.782 SPH REIT Units per SPH Share should the SPH Eligible Shareholders elect (or be deemed to have elected) to receive the Cash and Units Consideration.

3. Possible Chain Offer for SPH REIT

3.1. Based on the Cuscaden Joint Announcement:

- 3.1.1. SPH owns an aggregate of 1,860,440,891 SPH REIT Units, representing approximately 66.449 per cent. of the total number of SPH REIT Units, as at the date of the Cuscaden Joint Announcement (the “**Cuscaden Joint Announcement Date**”), based on publicly available information;
- 3.1.2. the Securities Industry Council had confirmed in its ruling of 18 October 2021 (the “**SIC Ruling**”) that the chain principle set out in Note 7 on Rule 14.1 of the Singapore Code on Take-overs and Mergers (the “**Code**”) applies such that a person (whether Cuscaden or any other party making a competing offer to the Cuscaden Scheme) which acquires statutory control of SPH will also be required to make an offer for the SPH REIT Units not held by such offeror and its concert parties;
- 3.1.3. whether Cuscaden will be required, pursuant to the chain principle in Note 7 on Rule 14.1 of the Code, to make a mandatory unconditional cash offer (the “**SPH REIT Chain Offer**”) for all the SPH REIT Units, other than those already owned, controlled or agreed to be acquired by Cuscaden and parties acting in concert with Cuscaden, **will depend on the eventual level of election by SPH Eligible Shareholders for either the All Cash Consideration or the Cash and Units Consideration**; and
- 3.1.4. **the SPH REIT Chain Offer will not be made unless as a result of the Cuscaden Scheme and the election by SPH Eligible Shareholders for the All Cash Consideration, Cuscaden and its concert parties own 30 per cent. or more of the SPH REIT Units (including those SPH REIT Units held by SPH after the completion of the DIS).**

3.2. According to the Cuscaden Joint Announcement, the minimum offer price for the SPH REIT Chain Offer, if required to be made, is S\$0.964² for each SPH REIT Unit (“**Chain Offer Price**”).

As per the SIC Ruling, the minimum Chain Offer Price shall be the simple average of the daily volume-weighted average traded prices of the SPH REIT Units on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on either the latest 20 trading days or whatever number of trading days there were within the 30 calendar days prior to the Possible Offer Announcement Date.

² Simple average of the daily volume-weighted average traded prices of SPH REIT Units for the latest 20 trading days prior to the Possible Offer Announcement Date. Figures based on data extracted from Bloomberg L.P. as at 1 November 2021.

Cuscaden has stated in the Cuscaden Joint Announcement that if the SPH REIT Chain Offer is required to be made, Cuscaden will not be obliged to offer a Chain Offer Price which is higher than the above.

3.3. As stated in the Cuscaden Announcement, if and when the SPH REIT Chain Offer is made, the SPH REIT Units will be acquired:

3.3.1. fully paid;

3.3.2. free from all charges, claims, hypothecations, liens, caveats, debentures, pledges, mortgages, power of sale, retention of title or security interest of any kind over and in respect of the SPH REIT Units and any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which the SPH REIT Units is subject or any right or option for the sale or purchase of such SPH REIT Units, and any other third party rights and inserts of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing; and

3.3.3. together with all rights, benefits and entitlements attaching thereto as at the Cuscaden Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared, made or paid by the Manager on or after the Cuscaden Joint Announcement Date other than the REIT FY2021 Dividend³.

Unitholders should note that if any distribution or return of capital is announced, declared, paid or made by the Manager in respect of the SPH REIT Units on or after the Cuscaden Joint Announcement Date (other than the REIT FY2021 Dividend), Cuscaden has stated that it reserves the right to reduce the Chain Offer Price by an amount equivalent to such distribution or return of capital, save that the Chain Offer Price will not be reduced or otherwise adjusted for the REIT FY2021 Dividend.

4. Independent Financial Adviser

4.1. If and when the SPH REIT Chain Offer is made:

4.1.1. the Board will appoint an independent financial adviser to advise the directors of the Manager who are considered independent for the purposes of the SPH REIT Chain Offer (the "**SPH REIT Independent Directors**") in connection with the SPH REIT Chain Offer; and

4.1.2. a circular containing the advice of the independent financial adviser and the recommendation of the SPH REIT Independent Directors in respect of the SPH REIT Chain Offer will be sent to Unitholders in accordance with the requirements of the Code.

The Manager will make further announcements relating to the SPH REIT Chain Offer if and when there are any material developments which warrant disclosure, in compliance with applicable laws, regulations and listing rules.

4.2. Unitholders are advised to read this Announcement and the Cuscaden Joint Announcement carefully. In the meantime, Unitholders should exercise caution when dealing in the SPH REIT Units and refrain from taking any action in respect of the SPH

³ The "**REIT FY2021 Dividend**" refers to the proposed cash dividend per SPH REIT Unit of S\$0.0158 per SPH REIT Unit for the period from 1 June 2021 to 31 August 2021 as announced by SPH REIT on 4 October 2021.

REIT Units which may be prejudicial to their interests. Unitholders should consult their stockbroker, bank manager, solicitor or other professional advisers if they have any doubt about the actions they should take.

5. Responsibility Statement

The directors of the Manager (including those who have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement (the omission of which would render any statement in this Announcement misleading in any material aspect), and they jointly and severally accept responsibility accordingly.

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

Issued by SPH REIT Management Pte. Ltd.
As manager of SPH REIT
15 November 2021

IMPORTANT NOTICE

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for SPH REIT Units.

The value of SPH REIT Units and the income derived from them, if any, may fall or rise. SPH REIT Units are not obligations of, deposits in, or guaranteed by the Manager or any of its affiliates. An investment in SPH REIT Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will have no right to request the Manager to redeem or purchase their SPH REIT Units for so long as the SPH REIT Units are listed on SGX-ST. It is intended that Unitholders may only deal in their SPH REIT Units through trading on the SGX-ST. The listing of the SPH REIT Units on the SGX-ST does not guarantee a liquid market for the SPH REIT Units.