

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, EUROPEAN UNION, EUROPEAN ECONOMIC AREA, CANADA OR JAPAN.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States, European Union, European Economic Area, Canada or Japan. This announcement is not an offer of securities for sale in the United States, European Union, European Economic Area, Canada or Japan or any other jurisdiction. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States unless registered under the Securities Act, or pursuant to an applicable exemption from registration. There will be no public offering of securities in the United States.



CAPITALAND COMMERCIAL TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 6 February 2004 (as amended))

ANNOUNCEMENT

**LAUNCH OF PRIVATE PLACEMENT OF 130,000,000 NEW UNITS IN
CAPITALAND COMMERCIAL TRUST**

1. INTRODUCTION

CapitaLand Commercial Trust Management Limited, in its capacity as manager of CapitaLand Commercial Trust (“**CCT**”, and the manager of CCT, the “**Manager**”), wishes to announce the proposed private placement of 130,000,000 new units in CCT (the “**New Units**”) to eligible institutional, accredited and other investors at an issue price of between S\$1.631 and S\$1.676 per New Unit (both figures inclusive) (the “**Issue Price Range**”) to raise gross proceeds of no less than S\$212.0 million (the “**Private Placement**”).

2. DETAILS OF THE PRIVATE PLACEMENT

The Manager, Citigroup Global Markets Singapore Pte. Ltd. (“**Citi**”), DBS Bank Ltd. (“**DBS**”) and J.P. Morgan (S.E.A.) Limited (together with Citi and DBS, the “**Joint Bookrunners and Underwriters**”) have today entered into a placement agreement (the “**Placement Agreement**”) in relation to the Private Placement. Pursuant to the Placement Agreement, each of the Joint Bookrunners and Underwriters has agreed to procure subscriptions and payments for (either by itself or through one or more Affiliates¹), or failing which, to subscribe and pay for (either by itself or through one or more Affiliates), the New Units at the issue price per New Unit (the “**Issue Price**”) to be determined, on the terms and subject to the conditions of the Placement Agreement. The Private Placement shall be subject to certain conditions precedent set out in the Placement Agreement, including the

¹ “**Affiliates**” shall have the meaning specified in Rule 501(b) of Regulation D under the Securities Act.

approval in-principle of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of and quotation for the New Units on the Main Board of the SGX-ST. The Private Placement is fully underwritten by the Joint Bookrunners and Underwriters on the terms and subject to the conditions of the Placement Agreement.

The Issue Price Range of between S\$1.631 and S\$1.676 per New Unit (both figures inclusive) represents a discount of between:

- (i) approximately 3.2% and 5.8% to the volume weighted average price (“**VWAP**”) of S\$1.7306 per Unit for trades in the Units done on the SGX-ST for the Market Day¹ on 16 May 2018 (being the preceding Market Day on which the Placement Agreement was signed); and
- (ii) (for illustrative purposes only) approximately 1.2% and 3.8% to the adjusted VWAP² (“**Adjusted VWAP**”) of S\$1.6957 per Unit.

The Issue Price will be determined by the Manager and the Joint Bookrunners and Underwriters following a book-building process. The Manager will make an announcement via SGXNET once the Issue Price has been determined.

3. USE OF PROCEEDS

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of approximately S\$212.0 million (assuming the issue price is based on the minimum of the Issue Price Range of S\$1.631 per New Unit) from the Private Placement in the following manner:

- (i) approximately S\$208.7 million (which is equivalent to approximately 98.4% of the gross proceeds of the Private Placement) to partially finance the acquisition (the “**Acquisition**”) of 94.9% interest in Gallileo Property S.a.r.l which holds a 100% interest in the property known as Gallileo, which is located at Gallusanlage 7 / Neckarstrasse 5, 60329 Frankfurt Am Main Germany; and
- (ii) approximately S\$3.3 million (which is equivalent to approximately 1.6% of the gross proceeds of the Private Placement) to pay the estimated transaction-related expenses, including professional fees and expenses, incurred or to be incurred by CCT in connection with the Private Placement,

with the balance of the gross proceeds of the Private Placement, if any, to be used for general corporate and/or working capital purposes.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement of approximately S\$208.7

1 “**Market Day**” refers to a day on which the SGX-ST is open for securities trading.

2 The Adjusted VWAP is computed based on the VWAP of all trades in the Units on the SGX-ST for the Market Day on 16 May 2018 (being the preceding Market Day on which the Placement Agreement was signed) and subtracting the Advanced Distribution (as defined herein). This amount is only an estimate based on information currently available to the Manager and the Manager’s estimate of CCT’s revenue and expenses for the relevant period on a pro-rata basis, and the actual Advanced Distribution may differ.

million at its absolute discretion for other purposes, including, without limitation, to repay existing indebtedness.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

4. RATIONALE FOR THE PRIVATE PLACEMENT

The Manager intends to use the net proceeds from the Private Placement towards the Acquisition. See the announcement dated 17 May 2018 titled “Proposed Acquisition of 94.9% interest in the Gallileo property located in Frankfurt, Germany” for further details of the Acquisition. The Manager believes that the Private Placement is an overall efficient and beneficial method of raising funds to partially finance the Acquisition.

5. AUTHORITY TO ISSUE NEW UNITS

The New Units will be issued pursuant to a general mandate (the “**General Mandate**”) given to the Manager at the annual general meeting (“**AGM**”) held on 19 April 2018.

Pursuant to the General Mandate, the Manager may, during the period from 19 April 2018 to (i) the conclusion of the next AGM of CCT or (ii) the date by which the next AGM of CCT is required by applicable laws and regulations or the trust deed of CCT to be held, whichever is earlier, issue new Units and/or securities, warrants, debentures or other instruments convertible into Units (“**Convertible Securities**”) such that the number of new Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the total number of Units in issue as at 19 April 2018 (the “**Base Figure**”), of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be converted) issued other than on a pro-rata basis to existing holders of units in CCT (“**Unitholders**”), shall not be more than 20.0% of the Base Figure.

The Base Figure, being the number of Units in issue as at 19 April 2018, was 3,611,723,453.

The amount of Units that can be issued under the General Mandate on a pro-rata basis to existing Unitholders is 1,805,861,726 Units, of which no more than 722,344,690 Units may be issued for a non pro-rata placement. The Manager has issued 961,646 Units since 19 April 2018 on a non pro-rata basis.

130,000,000 New Units to be issued pursuant to the Private Placement, together with the Units issued since 19 April 2018, would constitute 3.6% of the Base Figure, which is within the 20.0% limit for issue of new Units other than on a pro-rata basis. Accordingly, the prior

approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

6. ELIGIBILITY TO PARTICIPATE IN THE PRIVATE PLACEMENT

The offer of New Units under the Private Placement will be made to eligible institutional, accredited and other investors.

The New Units to be offered under the Private Placement have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, or under the securities laws of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with applicable state laws.

The Manager, along with the Joint Bookrunners and Underwriters, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

7. STATUS OF THE NEW UNITS

7.1 Entitlement to Advanced Distribution

CCT's policy is to distribute its distributable income on a semi-annual basis to Unitholders.

In connection with the Private Placement, the Manager intends to declare, in respect of the Units in issue on the day immediately prior to the date on which the New Units pursuant to the Private Placement are issued (the "**Existing Units**"), a distribution of the distributable income for the period from 1 January 2018 to the day immediately prior to the date on which the New Units are issued pursuant to the Private Placement (the "**Advanced Distribution**").

The current expectation of the Manager is that the quantum of taxable distribution per Existing Unit under the Advanced Distribution will be approximately 3.49 cents¹. The actual quantum of the distribution per Unit under the Advanced Distribution (which may differ from the estimate above) will be announced on a later date.

For the avoidance of doubt, holders of the New Units will not be entitled to participate in the distribution of any distributable income accrued by CCT prior to the date of issue of the New Units (including the Advanced Distribution). The New Units are expected to be listed on the SGX-ST on 28 May 2018.

The next distribution thereafter will comprise CCT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 30 June 2018. Semi-annual distributions will resume thereafter.

1 This amount is an estimate only based on information currently available to the Manager and the Manager's estimate of CCT's revenue and expenses for the relevant period on a pro-rata basis and the actual Advanced Distribution may differ.

The Advanced Distribution is intended to ensure that the distributable income accrued by CCT up to the day immediately preceding the date of issue of the New Units (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

7.2 Status of New Units issued pursuant to the Private Placement

The New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to CCT's distributable income from the day of issuance of the New Units under the Private Placement as well as all distributions thereafter, other than in respect of the Advanced Distribution.

For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Private Placement will not be entitled to the Advanced Distribution.

8. APPLICATION TO THE SGX-ST FOR APPROVAL IN-PRINCIPLE

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

BY ORDER OF THE BOARD

CapitaLand Commercial Trust Management Limited
(Company Registration No. 200309059W)
As manager of CapitaLand Commercial Trust

Lee Ju Lin, Audrey
Company Secretary
17 May 2018

Important Notice

The value of Units and the income derived from them, if any, may fall or rise. The Units are not obligations of, deposits in, or guaranteed by, CapitaLand Commercial Trust Management Limited (the “**Manager**”), as manager of CapitaLand Commercial Trust (“**CCT**”), or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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

The past performance of CCT is not necessarily indicative of the future performance of CCT.

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