



BHG RETAIL REIT

(A real estate investment trust constituted on 18 November 2015
under the laws of the Republic of Singapore)

HEFEI MENGCHENGLU MALL AND HEFEI CHANGJIANGXILU MALL TEMPORARY CLOSURE OF STORES OTHER THAN CERTAIN F&B OUTLETS PROVIDING DELIVERY SERVICES AND THE SUPERMARKETS

1. BHG Retail Trust Management Pte. Ltd., as manager of BHG Retail Real Estate Investment Trust (“**BHG Retail REIT**”, and as manager of BHG Retail REIT, the “**Manager**”), would like to announce that pursuant to the Hefei’s authorities’ Notice on the Strengthening and Prevention and Control of the Epidemic Situation in Commercial Enterprises dated 6 February 2020 (the “**Notice**”) to contain the spread of the Novel Coronavirus (“**2019-nCoV**”), the Manager has temporarily closed all stores other than certain F&B outlets providing delivery services and the supermarkets in Hefei Mengchenglu Mall and Hefei Changjiangxilu Mall.
2. Specifically, to contain the spread of 2019-nCoV, the Notice requires the temporary closure of Hefei’s mixed commercial complexes, mixed commercial shopping malls, shopping streets, wholesale markets and all other public venues that are not related to the provision of basic necessities. However, pursuant to the Notice, certain F&B outlets providing delivery services and the supermarkets in Hefei Mengchenglu Mall and Hefei Changjiangxilu Mall which provide basic necessities are allowed to continue operating provided that they comply with the relevant regulations for epidemic prevention and control. The Manager will work closely with Beijing Hualian Department Store Co., Ltd. as the sponsor of BHG Retail REIT (the “**Sponsor**”) to monitor the developments, and will aim to re-open the affected stores as soon as it is appropriate to do so in the circumstances. The re-opening dates of the affected stores will be announced subsequently.
3. Some of the preventive measures adopted at the properties’ level pursuant to guidelines from health authorities include providing face masks to employees, setting up temperature scans at entrances, stepping up efforts to clean and disinfect facilities and public areas, limiting activities with mass gatherings and putting in place contact tracing procedures to monitor the well-being of employees, tenants’ employees, and visitors. Further, a 2019-nCoV task force has been set up by the Sponsor to ensure speed and precision in establishing preventive measures and in any incident management.
4. With the continuing development of the 2019-nCoV situation, it is too early to ascertain the full financial impact of the 2019-nCoV on BHG Retail REIT. Nevertheless, as a socially-responsible owner of retail malls that operate in the community space, BHG Retail REIT may explore various strategies to support and reinforce its relationship with stakeholders. Notwithstanding this near-term headwind, BHG Retail REIT’s long-term strategy is well-positioned to benefit from China’s rising residents’ income and consumption upgrade.
5. The Manager will provide updates on any material developments as soon as practicable.

BY ORDER OF THE BOARD

BHG Retail Trust Management Pte. Ltd.

(as manager of BHG Retail Real Estate Investment Trust)

(Company Registration No. 201504222D)

Chan Iz-Lynn

Chief Executive Officer

7 February 2020

IMPORTANT NOTICE

This announcement may contain forward-looking statements that involve 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and 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.

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