(a real estate investment trust constituted on 10 October 2013 under the laws of the Republic of Singapore)

REDEMPTION OF CONVERTIBLE PERPETUAL PREFERRED UNITS

1. Introduction

OUE Commercial REIT Management Pte. Ltd., in its capacity as manager of OUE Commercial Real Estate Investment Trust ("**OUE C-REIT**" and the manager of OUE C-REIT, the "**Manager**"), wishes to announce that it will be carrying out a redemption of 155,000,000 convertible perpetual preferred units ("**CPPUs**") of OUE C-REIT (the "**Redemption**") at the issue price of the CPPUs which is one Singapore dollar for each CPPU ("**Issue Price**"), for an aggregate of S$155,000,000 (the "**Specified Amount**").

These CPPUs were previously issued by the Manager to Clifford Development Pte. Ltd. (a subsidiary of OUE Limited), as part payment of the purchase consideration to OUE Limited for OUE C-REIT's acquisition of an 83.33% indirect interest in OUB Centre Limited which owns 81.54% of the beneficial interest in One Raffles Place. Clifford Development Pte. Ltd. is the only holder of the CPPUs (the "**CPPU Holder**") as at the date of this announcement. After the Redemption, 220,000,000 CPPUs remain outstanding.

2. Redemption Notice

The Manager has today issued and delivered the irrevocable redemption notice in respect of the Redemption (the "**Redemption Notice**") to Boardroom Corporate & Advisory Services Pte. Ltd. which is the registrar of the CPPUs, stating that 155,000,000 CPPUs (the "**Specified CPPUs**") shall be redeemed on 1 June 2021 (the "**Redemption Date**").

The Redemption Notice has been issued in accordance with the terms of the CPPUs as described in Appendix B (the "**CPPU Terms**") of the circular to unitholders dated 1 July 2015 (the "**Circular**") to seek approval for, among other things, the acquisition of One Raffles Place and the issue of the CPPUs. Pursuant to the Circular, the CPPU Terms, including the redemption process, have been approved by minority unitholders of OUE C-REIT at the extraordinary general meeting of OUE C-REIT held on 27 July 2015. OUE Limited has a direct and deemed interest in 48.02% of units of OUE C-REIT as at the date of this announcement.[1]

[1] OUE Limited owns 100% of the Manager, Clifford Development Pte. Ltd. ("**Clifford**") and OUE Hospitality REIT Management Pte. Ltd. ("**OUEHRM**") and has a deemed interest in the units held by the Manager, Clifford and OUEHRM.

3. Redemption Amount

The redemption amount payable to the CPPU Holder shall be the sum of 100.0 per cent. of the Issue Price multiplied by the number of CPPUs to be redeemed on the Redemption Date, and all the preferred distributions and special preferred distributions which have been declared but which remain unpaid as at the Redemption Date (the "**Redemption Amount**").

Each CPPU entitles the CPPU Holder to receive a preferred distribution of an amount equivalent to 1.0 per cent. per annum of Issue Price, payable on a semi-annual basis. As at the date of this announcement, no preferred distribution declared in relation to the Specified CPPUs remains unpaid.

As the Specified CPPUs will be redeemed on 1 June 2021, the Manager pursuant to the CPPU Terms declares a special preferred distribution in relation to the Specified CPPUs, being 1.0 per cent. per annum of the Specified Amount pro-rated over the period from 1 January 2021 to 31 March 2021, being the last day of the calendar quarter immediately preceding the Redemption Date.

In accordance with the CPPU Terms, the Redemption Amount shall be paid in cash.

The Redemption will be fully funded by part of the net divestment proceeds from the partial divestment of OUE Bayfront.

4. Rationale for the Redemption

The Manager is carrying out the Redemption as part of its proactive capital management strategy to continually review and optimise OUE C-REIT's capital structure for sustainability over the longer-term. The Redemption will reduce the CPPUs outstanding, allowing the Manager to mitigate dilution in distribution per unit from potential conversion of CPPUs into units of OUE C-REIT in the future.

The Audit and Risk Committee of the Board of the Manager is of the view that OUE C-REIT should redeem the Specified CPPUs, after taking into consideration the best interest of OUE C-REIT and its minority unitholders.

By Order of the Board
Kelvin Chua
Company Secretary

OUE Commercial REIT Management Pte. Ltd.
(Registration Number: 201327018E)
(as manager of OUE Commercial Real Estate Investment Trust)

3 May 2021

Important Notice

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

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

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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.