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**Comprising:**

**OUE HOSPITALITY  
REAL ESTATE INVESTMENT TRUST**  
(a real estate investment trust constituted on 10 July 2013 under the laws of the Republic of Singapore)  
managed by  
**OUE Hospitality REIT Management Pte. Ltd.**

**OUE HOSPITALITY  
BUSINESS TRUST**  
(a business trust constituted on 10 July 2013 under the laws of the Republic of Singapore)  
managed by  
**OUE Hospitality Trust Management Pte. Ltd.**

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**UNDERWRITTEN AND RENOUNCEABLE RIGHTS ISSUE TO RAISE GROSS PROCEEDS OF  
APPROXIMATELY S\$238.6 MILLION**

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**1. INTRODUCTION**

OUE Hospitality REIT Management Pte. Ltd., as manager of OUE Hospitality Real Estate Investment Trust (“**OUE H-REIT**”) (the “**REIT Manager**”), and OUE Hospitality Trust Management Pte. Ltd., as trustee-manager of OUE Hospitality Business Trust (the “**Trustee-Manager**”), wish to announce that they are undertaking an underwritten and renounceable rights issue (the “**Rights Issue**”) of 441,901,257 new stapled securities in OUE Hospitality Trust (“**OUE H-Trust**”) (“**Rights Stapled Securities**”) to raise gross proceeds of approximately S\$238.6 million.

**2. PRINCIPAL TERMS OF THE RIGHTS ISSUE**

Pursuant to the Rights Issue, the Rights Stapled Securities will be offered at the rights ratio (“**Rights Ratio**”) of 33 Rights Stapled Securities for every 100 existing stapled securities in OUE H-Trust (“**Existing Stapled Securities**”) held as at the time and date on which the transfer books and register of stapled securityholders of OUE H-Trust (“**Stapled Securityholders**”) will be closed to determine the provisional allotments of Rights Stapled Securities to the Eligible Stapled Securityholders (as defined herein) (the “**Rights Issue Books Closure Date**”) (fractional entitlements to be disregarded).

The Rights Issue would provide Stapled Securityholders with the opportunity to subscribe for their *pro rata* entitlement to the Rights Stapled Securities (the “**Rights Entitlement**”) at an issue price of S\$0.540 per Rights Stapled Security (“**Issue Price**”), which is at a discount of:

- (i) approximately 29.4% to the closing price of S\$0.765 per stapled security in OUE H-Trust (“**Stapled Security**”) on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 7 March 2016, being the last trading day of the Stapled Securities prior to the announcement of the Rights Issue (“**Closing Price**”); and
- (ii) approximately 23.9% to the theoretical ex-rights price (“**TERP**”) of S\$0.7092 per Stapled Security which is calculated as follows:

$$\text{TERP} = \frac{\text{Market capitalisation of OUE H-Trust based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Stapled Securities outstanding after the Rights Issue}}$$

The Rights Stapled Securities will be issued pursuant to the general mandate that was given by the Stapled Securityholders to the REIT Manager and the Trustee-Manager (collectively, the “**Managers**”) for the issue of new Stapled Securities, pursuant to an ordinary resolution obtained at an annual general meeting of Stapled Securityholders held on 28 April 2015.

### 3. USE OF PROCEEDS

The Managers intend to use the gross proceeds of approximately S\$238.6 million from the Rights Issue in the following manner:

- (i) approximately S\$205.5 million (equivalent to approximately 86.1% of the gross proceeds) will be used to finance the acquisition of the extension (“**CPEX**”) to Crowne Plaza Changi Airport (“**CPCA**”) (the “**Acquisition**”) and related costs;
- (ii) approximately S\$5.0 million (equivalent to approximately 2.1% of the gross proceeds) will be used to pay for the total costs and expenses relating to the Rights Issue; and
- (iii) approximately S\$28.1 million (equivalent to approximately 11.8% of the gross proceeds) will be used for working capital and capital expenditure purposes.

The Acquisition had been approved by the Stapled Securityholders at an extraordinary general meeting held on 13 January 2015. OUE H-REIT completed its acquisition of CPCA on 30 January 2015 and the lease of the strata lot on which CPCA is situated was issued to OUE H-REIT on 20 January 2016. The completion of the Acquisition will only take place after the construction of CPEX is completed and CPEX has obtained its temporary occupation permit. The Managers may use the proceeds from the Rights Issue to repay outstanding borrowings<sup>1</sup> in the interim.

Notwithstanding their current intention, the Managers may, subject to relevant laws and regulations, use the net proceeds from the Rights Issue at their absolute discretion for other purposes, including funding other acquisitions and/or reducing OUE H-Trust’s debt.

Pending deployment of the net proceeds from the Rights Issue, the net proceeds may be deposited with banks and/or financial institutions, or used to repay outstanding borrowings or used for any

<sup>1</sup> The outstanding borrowings that may be partially or fully repaid include borrowings provided by a group of lenders which includes BNP Paribas, acting through its Singapore branch.

other purpose on a short-term or interim basis as the Managers may, in their absolute discretion, deem fit. The Managers will make periodic announcements on the utilisation of the proceeds of the Rights Issue via SGXNET as and when such funds are materially utilised.

#### 4. BENEFITS OF THE RIGHTS ISSUE

The Managers believe the Acquisition and the Rights Issue will provide Stapled Securityholders with the following benefits:

- (i) CPEX will add another 243 rooms to the 320-room CPCA, which is a high quality and strategically located asset with direct connection to the Changi Airport terminals and proximity to Changi Business Park and Singapore Expo;
- (ii) CPEX, as an extension of CPCA, will allow OUE H-Trust to further benefit from the expansion plans of Changi Airport, which include the construction of Jewel Changi Airport and the development of a new Terminal 4;
- (iii) the master lease of CPCA and CPEX will provide income stability with downside protection and upside potential;
- (iv) the addition of CPEX as an extension to CPCA will further enhance the income diversification of OUE H-Trust;
- (v) the Acquisition will increase OUE H-Trust's portfolio size and create a stronger platform for acquisition growth;
- (vi) the Rights Issue undertaken to finance the Acquisition is expected to enhance OUE H-Trust's financial flexibility, by reducing its gearing from 42.0% to 37.8%<sup>2</sup>, and increasing its debt headroom; and
- (vii) the Rights Issue will increase OUE H-Trust's market capitalisation<sup>3</sup> by 23.3%, potentially improving the trading liquidity of the Stapled Securities after the Rights Issue.

#### 5. UNDERWRITING OF THE RIGHTS ISSUE

Save for the number of Rights Stapled Securities subscribed for by (i) the Sponsor Entities pursuant to the Sponsor Undertaking, (ii) the GCAL Entities pursuant to the GCAL Undertaking and (iii) Hennessy Holdings Limited ("**HHL**") pursuant to the HHL Undertaking (all as defined below), the Rights Issue is underwritten by BNP Paribas, acting through its Singapore branch, DBS Bank Ltd. and Credit Suisse (Singapore) Limited (the "**Joint Lead Managers and Underwriters**") on the terms and subject to the conditions of the management and underwriting agreement entered into between the Managers and the Joint Lead Managers and Underwriters on 7 March 2016 (the "**Management and Underwriting Agreement**").

The Joint Lead Managers and Underwriters will be entitled to a commission of 2.25% of the Issue Price multiplied by the total number of Rights Stapled Securities less the number of Rights Stapled Securities subscribed for by (i) the Sponsor Entities pursuant to the Sponsor Undertaking, (ii) the GCAL Entities pursuant to the GCAL Undertaking and (iii) HHL pursuant to the HHL Undertaking.

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2 Paragraph 9.2 of Appendix 6 to the Code on Collective Investment Schemes states that the aggregate leverage of a real estate investment trust should not exceed 45.0% of its deposited property.

3 Based on closing price of the Stapled Securities on 7 March 2016.

It should be noted that the Management and Underwriting Agreement may be terminated upon the occurrence of certain events, including those of a *force majeure* nature, but the Joint Lead Managers and Underwriters are not entitled to rely on *force majeure* to terminate the Management and Underwriting Agreement on or after the date on which ex-rights trading commences (being 11 March 2016) (in compliance with Rule 818 of the Listing Manual of the SGX-ST).

## 6. COMMITMENT OF THE SPONSOR AND CERTAIN OTHER STAPLED SECURITYHOLDERS

To demonstrate support for OUE H-Trust and the Rights Issue, OUE Limited (the “**Sponsor**”), the REIT Manager, Golden Concord Asia Limited (“**GCAL**”), OUE Realty Pte. Ltd. (“**OUER**”) and HHL will subscribe in full for their provisional allotment of the Rights Stapled Securities, which in the aggregate represents approximately 44.2% of the Rights Issue. Lippo ASM Asia Property Limited, the principal joint venture of Hongkong Chinese Limited (“**HKCL**”), owns a 92.05% interest in GCAL and OUER is a wholly-owned subsidiary of GCAL.

In this regard, each of the Sponsor, HKCL, GCAL, OUER and HHL have provided an undertaking to each of (a) the Managers and (b) the Joint Lead Managers and Underwriters on 7 March 2016 where, *inter alia*:

- (i) the Sponsor, which directly and through the REIT Manager (a wholly-owned subsidiary of the Sponsor) (collectively, the “**Sponsor Entities**”), has an aggregate interest in 470,927,352 Stapled Securities representing approximately 35.2% of the issued Stapled Securities as at 7 March 2016, will accept, and will procure that the REIT Manager accept, subscribe and pay in full for, the Sponsor Entities' total provisional allotment of Rights Stapled Securities (the “**Sponsor Undertaking**”);
- (ii) GCAL and OUER (collectively, the “**GCAL Entities**”), which have an aggregate direct interest in 103,152,734 Stapled Securities representing approximately 7.7% of the issued Stapled Securities as at 7 March 2016, will accept, subscribe and pay in full for, their respective total provisional allotment of Rights Stapled Securities (the “**GCAL Undertaking**”);
- (iii) HKCL will (directly or through its wholly-owned subsidiary) provide sufficient funding to the GCAL Entities for the purposes of accepting, subscribing and paying in full for the GCAL Entities' total provisional allotment of Rights Stapled Securities; and
- (iv) HHL, which has a direct interest in 17,000,000 Stapled Securities representing approximately 1.3% of the issued Stapled Securities as at 7 March 2016, will accept, subscribe and pay in full for, HHL's total provisional allotment of Rights Stapled Securities (the “**HHL Undertaking**”).

## 7. APPROVAL IN-PRINCIPLE

The SGX-ST has on 7 March 2016 given its approval in-principle for the listing and quotation of the Rights Stapled Securities on the Main Board of the SGX-ST.

The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Rights Issue, the Rights Stapled Securities, OUE H-Trust and/or its subsidiary.

The listing approval of the Rights Stapled Securities is subject to the following conditions:

- (i) compliance with the SGX-ST's listing requirements;

- (ii) a written undertaking from OUE H-Trust and the Managers that they will:
  - (a) comply with Listing Rules 704(30), 815 and 1207(20) in relation to the use of the proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Managers will disclose a breakdown with specific details on the use of proceeds for working capital in OUE H-Trust's announcements on use of proceeds and in the annual report; and
  - (b) comply with the confirmation given in Listing Rule 877(10) with regards to the allotment of any excess Rights Stapled Securities; and
- (iii) a written confirmation from financial institution(s) as required under Listing Rule 877(9) that the Stapled Securityholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under their undertakings.

## 8. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE

Eligible Stapled Securityholders are Eligible Depositors and Eligible Scripholders (both as defined below).

Eligible Depositors are Stapled Securityholders with Stapled Securities standing to the credit of their securities account with CDP (but do not include securities sub-accounts) ("**Securities Account**") and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days<sup>4</sup> prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Stapled Securityholders located, resident or with a registered address in the U.S. or in any other jurisdiction in which the offering of Rights Stapled Securities and Rights Entitlements may not be lawfully made ("**Eligible Stapled Depositors**").

Eligible Scripholders are Stapled Securityholders whose Stapled Securities are not deposited with CDP and who have tendered to the Stapled Security Registrar<sup>5</sup> valid transfers of their Stapled Securities and/or the documentary evidence evidencing their title in relation thereto for registration up to the Rights Issue Books Closure Date, and whose registered addresses with the Stapled Security Registrar are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided the Stapled Security Registrar with addresses in Singapore for the service of notices and documents, but exclude Stapled Securityholders located, resident or with a registered address in the U.S. or in any other jurisdiction in which the offering of Rights and Rights Stapled Securities may not be lawfully made ("**Eligible Scripholders**").

The Rights Stapled Securities will be provisionally allotted under the Rights Issue at the Issue Price on the basis of their Stapled Securityholdings as at the Rights Issue Books Closure Date to Eligible Stapled Securityholders. Eligible Stapled Securityholders shall receive the Offer Information Statement (as defined herein) (including the PAL (as defined below), the ARE<sup>6</sup> and the ARS<sup>7</sup>) at their respective Singapore addresses, and are at liberty to accept in part or in full, decline or

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4 "**Market Day**" refers to any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading.

5 The "**Stapled Security Registrar**" refers to Boardroom Corporate & Advisory Services Pte. Ltd.

6 The "**ARE**" refers to the application form for Rights Stapled Securities and Excess Rights Stapled Securities issued to Eligible Stapled Securityholders in respect of their Rights Entitlements under the Rights Issue.

7 The "**ARS**" refers to the application form and acceptance form for Rights Stapled Securities to be issued to purchasers of the Rights Entitlements under the Rights Issue traded on the SGX-ST under the book-entry (scripless) settlement system.

otherwise renounce or trade (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Stapled Securities (as defined herein).

The Rights Stapled Securities represented by the provisional allotments (A) of (i) Eligible Stapled Securityholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Stapled Securityholders<sup>8</sup> which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renounees of the Rights Entitlements or the purchasers of Rights Entitlements (collectively, "**Excess Rights Stapled Securities**") will be aggregated and used to satisfy Excess Rights Stapled Securities applications (if any) or disposed of or otherwise dealt with in such manner as the Managers may, in their absolute discretion, deem fit.

All dealings in and transactions of the provisional allotments of Rights Stapled Securities through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the provisional allotment letters issued to Eligible Scripholders, setting out the provisional allotments of Rights Stapled Securities of such Eligible Scripholders under the Rights Issue (the "**PALs**"), which will be issued to Eligible Scripholders, will not be valid for delivery pursuant to trades done on the SGX-ST.

Subject to the requirements of or otherwise waived by the SGX-ST, in the allotment of Excess Rights Stapled Securities, preference will be given to the rounding of odd lots (if any) followed by allotment to the Stapled Securityholders who are neither directors of the Managers ("**Directors**") nor Substantial Stapled Securityholders<sup>9</sup>. Directors and Substantial Stapled Securityholders who have control or influence over OUE H-Trust or the Managers in connection with the day-to-day affairs of OUE H-Trust or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Stapled Securities.

Eligible Stapled Securityholders who hold Stapled Securities under the Central Provident Fund ("**CPF**") Investment Scheme ("**CPFIS**") or the Supplementary Retirement Scheme ("**SRS**") or through a finance company or depository agent can only accept their provisional allotments of Rights Stapled Securities by instructing their relevant bank, finance company or depository agent to do so on their behalf. **ANY APPLICATION MADE BY THE ABOVEMENTIONED STAPLED SECURITYHOLDERS DIRECTLY TO CDP OR THROUGH ATMS WILL BE REJECTED.** Such Stapled Securityholders should refer to the Offer Information Statement (as defined herein) to be lodged with the Monetary Authority of Singapore (the "**MAS**") for important details relating to the offer procedure in connection with the Rights Issue.

For practical reasons and in order to avoid violating applicable securities laws outside Singapore, the Rights Stapled Securities will not be offered to Stapled Securityholders who are not Eligible Stapled Securityholders with registered addresses outside Singapore as at the Rights Issue Books Closure Date and who have not before at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP or the Stapled Security Registrar (as the case may be) with addresses in Singapore for the service of notices and documents ("**Foreign Stapled Securityholders**"). Accordingly, no provisional allotment of Rights Stapled Securities will be made to Foreign Stapled

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8 "**Ineligible Stapled Securityholders**" refer to Stapled Securityholders who are not Eligible Stapled Securityholders.

9 "**Substantial Stapled Securityholder**" means a person with an interest in Stapled Securities constituting not less than 5.0% of the total number of Stapled Securities in issue.

Securityholders and no purported acceptance or application for Rights Stapled Securities by Foreign Stapled Securityholders will be valid.

## 9. OFFER INFORMATION STATEMENT

In connection with the Rights Issue, the Managers will, following the lodgement of the offer information statement (“**Offer Information Statement**”) with the MAS, issue and despatch the Offer Information Statement to Stapled Securityholders setting out, among other things, the details of the Rights Issue.

## 10. INDICATIVE TIMETABLE

An indicative timeline for the Rights Issue is set out below (all references are to Singapore dates and times):

Event	Date and Time
Last day of “cum-rights” trading	: 10 March 2016
First day of “ex-rights” trading	: 11 March 2016
Lodgement of Offer Information Statement with the MAS	: 15 March 2016
Rights Issue Books Closure Date to determine Rights Entitlements	: 15 March 2016 at 5.00 p.m.
Despatch of Offer Information Statement to Eligible Stapled Securityholders	: 18 March 2016
Commencement of trading of Rights Entitlements	: 18 March 2016 from 9.00 a.m.
Last day of splitting and trading of Rights Entitlements	: 29 March 2016 at 5.00 p.m.
<b>Closing Date:</b>	
Last date and time for acceptance of the Rights Entitlements and payment for Rights Stapled Securities	: 4 April 2016 at 5.00 p.m. <sup>(1)</sup> (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for application and payment for Excess Rights Stapled Securities	: 4 April 2016 at 5.00 p.m. <sup>(1)</sup> (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for acceptance of and payment by the renounee	: 4 April 2016 at 5.00 p.m.
Expected date for commencement of trading of Rights Stapled Securities on the SGX-ST	: 13 April 2016 from 9.00 a.m.

**Note:**

(1) If acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Stapled Securities, as the case may be, are made through CDP.

The Managers may, in consultation with the Joint Lead Managers and Underwriters and with the approval of the SGX-ST, modify the above timetable subject to any limitation under any applicable

laws. In such an event, the Managers will announce the same via the SGXNET. However, as at the date of this Announcement, the Managers do not expect the above timetable to be modified.

By Order of the Board  
Ng Ngai  
Company Secretary

**OUE Hospitality REIT Management Pte. Ltd.**

(Registration Number: 201310245G)  
(as manager of OUE Hospitality Real Estate Investment Trust)

**OUE Hospitality Trust Management Pte. Ltd.**

(Registration Number: 201310246W)  
(as trustee-manager of OUE Hospitality Business Trust)

7 March 2016

**IMPORTANT NOTICE**

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

Any offering of Rights Stapled Securities will be made in and accompanied by the Offer Information Statement. A potential investor should read the Offer Information Statement before deciding whether to subscribe for Rights Stapled Securities under the Rights Issue. The Offer Information Statement may be accessed online at the website of the MAS at <<http://masnet.mas.gov.sg/operasdrprosp.nsf>> when it is lodged with the MAS. The MAS assumes no responsibility for the contents of the Offer Information Statement. The availability of the Offer Information Statement on the MAS website does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The MAS has not, in any way, considered the investment merits of OUE H-Trust. This announcement is qualified in its entirety by, and should be read in conjunction with the full text of the Offer Information Statement when it is lodged with the MAS.

The value of the Stapled Securities and the income derived from them may fall or rise. The Stapled Securities are not obligations, or deposits in, or guaranteed by the Managers or RBC Investor Services Trust Singapore Limited (as trustee of OUE H-REIT) or any of their affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Stapled Securityholders have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on the SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

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