

NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES, EUROPEAN ECONOMIC AREA,
CANADA, JAPAN OR AUSTRALIA



Trust Management (Suntec) Limited

Suntec Real Estate Investment Trust
("Suntec REIT")



SUNTEC REIT PLACEMENT

**CLOSE OF PLACEMENT OF 111,111,000 NEW UNITS IN SUNTEC REIT AT AN ISSUE PRICE
OF S\$1.80 PER NEW UNIT TO RAISE GROSS PROCEEDS OF APPROXIMATELY S\$200.0
MILLION**

1. Introduction

Further to its announcement dated 24 April 2019 (the "**Announcement**") in relation to the placement of new units ("**New Units**") in Suntec REIT at an issue price of between S\$1.77 and S\$1.81 per New Unit (the "**Private Placement**"), the Board of Directors of ARA Trust Management (Suntec) Limited, in its capacity as the manager of Suntec REIT (the "**Manager**"), is pleased to announce that Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd., as the joint lead managers and underwriters for the Private Placement (the "**Joint Lead Managers and Underwriters**"), in consultation with the Manager, have closed the book of orders for the Private Placement, and exercised the option to upsize the Private Placement to approximately S\$200.0 million. 111,111,000 New Units will be issued pursuant to the Private Placement. The gross proceeds from the Private Placement amount to approximately S\$200.0 million. The net proceeds from the Private Placement amount to approximately S\$195.9 million, after deducting the underwriting, selling and management fee and other estimated fees and expenses (including professional fees and expenses) incurred in connection with the Private Placement.

2. Issue Price

The issue price per New Unit has been fixed at S\$1.80 per New Unit (the "**Issue Price**"), as agreed between the Manager and the Joint Lead Managers and Underwriters, following an accelerated book-building process.

The Issue Price represents a discount of:

- (i) 4.2% to the volume weighted average price of S\$1.879 per unit in Suntec REIT ("**Unit**"); and

- (ii) (for illustrative purposes only) 2.5% to the adjusted volume weighted average price (“**Adjusted VWAP**”)¹ of S\$1.847 per Unit,

for trades in the units in Suntec REIT (“**Units**”) done on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the full market day on 24 April 2019.

3. Use of Proceeds

The Manager intends to allocate the gross proceeds from the Private Placement in the following manner:

- (i) approximately S\$167.5 million to finance the acquisition(s) of propert(ies) (which is equivalent to 83.8% of the approximately S\$200.0 million of gross proceeds from the Private Placement) subject to satisfactory due diligence and receipt of relevant regulatory approvals and there is no assurance that such acquisition(s) would proceed²;
- (ii) approximately S\$28.4 million to refinance existing debt and/or fund asset enhancement initiatives and capital expenditure (which is equivalent to 14.2% of the approximately S\$200.0 million of gross proceeds of the Private Placement); and
- (iii) approximately S\$4.1 million to pay for underwriting, selling and management fee as well as other estimated fees and expenses (including professional fees and expenses) incurred in connection with the Private Placement (which is equivalent to 2.1% of the approximately S\$200.0 million of gross proceeds of the Private Placement),

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

Notwithstanding its current intention (or in the event that the potential acquisition(s) do not proceed), the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at its absolute discretion for other purposes.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may be deposited with banks and/or financial institutions or used 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 from the Private Placement via SGXNET as and when such funds are materially disbursed.

4. Authority to Issue New Units

The 111,111,000 New Units to be issued pursuant to the Private Placement, together with the Units issued since 18 April 2019, would constitute 4.3% of the 2,680,536,828 Units in

1 The Adjusted VWAP is computed based on the volume weighted average price of all trades in the Units on SGX-ST on the full market day on 24 April 2019, and subtracting the Cumulative Distribution (as defined in the Announcement) of approximately 3.20 cents per Unit.

2 The acquisition(s) may or may not proceed and if it proceeds, the Manager will make appropriate announcements in relation to the acquisition(s) in accordance with the SGX-ST Listing Manual.

issue as at 18 April 2019, which is within the 20.0% limit for the issue of new Units other than on a pro rata basis.

Accordingly, the Manager is relying on the general mandate given by the Unitholders to the Manager at the annual general meeting of Suntec REIT held on 18 April 2019, and the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

5. Listing of, Dealing in and Quotation of the New Units

The trading of the New Units on the SGX-ST is currently expected to commence at 9.00 a.m. on 6 May 2019. 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
ARA Trust Management (Suntec) Limited
(as manager of Suntec Real Estate Investment Trust)
(Company registration no. 200410976R)

Chong Kee Hiong
Director
25 April 2019

ABOUT SUNTEC REIT

Listed on 9 December 2004, Suntec REIT holds properties in Suntec City, Singapore's largest integrated commercial development (including one of Singapore's largest shopping mall), a 60.8% interest in Suntec Singapore Convention & Exhibition Centre, a one-third interest in One Raffles Quay, a one-third interest in Marina Bay Financial Centre Towers 1 and 2 and the Marina Bay Link Mall and a 30.0% interest in 9 Penang Road. Suntec REIT holds a 100% interest in a commercial building located at 177 Pacific Highway, Sydney, a 50.0% interest in Southgate complex, Melbourne and a 50.0% interest in a commercial building to be developed located at Olderfleet 477 Collins Street, Melbourne, Australia. Its aim is to invest in income-producing real estate which is primarily used for office and/or retail purposes. Suntec REIT is managed by an external manager, ARA Trust Management (Suntec) Limited. For more details, please visit www.suntecreit.com.

ABOUT ARA TRUST MANAGEMENT (SUNTEC) LIMITED

Suntec REIT is managed by ARA Trust Management (Suntec) Limited, a wholly-owned subsidiary of ARA Asset Management Limited ("ARA" or the "Group").

ARA Asset Management Limited is a premier global integrated real assets fund manager. As at 31 December 2018, the Gross Assets Managed by ARA Group and its Associates is approximately S\$80.1 billion³ across over 100 cities in 23 countries.

Driven by a vision to be the best-in-class real assets fund management company, ARA Group and its Associates' businesses include:

- (a) **REITs** – ARA is one of the largest REIT managers in Asia Pacific. The Group directly manages Fortune REIT, dual-listed in Singapore and Hong Kong; Suntec REIT and Cache Logistics Trust, listed in Singapore; and Hui Xian REIT and Prosperity REIT, listed in Hong Kong. It also indirectly manages REITs in Japan, Australia, Singapore and Malaysia through its associate companies.
- (b) **Private real estate funds** – The Group manages private funds providing investment opportunities in diverse real estate sectors and geographies that cater to different investor risk appetites.
- (c) **Country desks** – ARA operates country desks in China, Korea, Japan, Malaysia, Australia, Europe and the United States. The country desks employ a strong understanding of each local market to facilitate the flow of inbound and outbound capital and cross-country collaborations. ARA has an expanded presence in Japan via its strategic stake in Kenedix, Inc. and in Europe via its strategic stake in Cromwell Property Group.
- (d) **Infrastructure** – ARA Infrastructure was established in 2018 to cater to strong investor demand for global infrastructure investment.
- (e) **Real estate management services** – As part of the Group's investor-operator philosophy, its dedicated property management teams actively work the ground to manage its assets globally.

³ Includes assets under management by ARA Asset Management Holdings Pte. Ltd. and the Group of companies ("ARA Group") and its Associates and Joint Ventures as at 31 December 2018.

ARA's multi-platform, multi-product global fund management strategy, combined with its dedicated teams with in-depth local knowledge, enables the Group to offer enduring value to investors. Built on a foundation of strong corporate governance and business integrity, ARA counts some of the world's largest pension funds, sovereign wealth funds, financial institutions, endowments and family offices as its investors.

For more information, please visit www.ara-group.com

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to subscribe for or acquire, Units in any jurisdiction in which such an offer or solicitation is unlawful.

The value of Units and the income derived from them may fall as well as 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. 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 the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, European Economic Area, Canada, Japan or Australia, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and under the applicable securities laws of any state or other jurisdiction of the United States. There will be no public offering of the securities referred to herein in the United States.

This announcement has not been reviewed by the Monetary Authority of Singapore.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore: The Units are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).
