

BHG RETAIL REIT

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

DISCLOSURE PURSUANT TO RULE 704 (31) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

BHG Retail Trust Management Pte. Ltd., as manager of BHG Retail REIT (the “**Manager**”), wishes to announce that DBS Trustee Limited (in its capacity as trustee of BHG Retail REIT) has accepted a facility letter (“**Facility Letter**”) with Resona Merchant Bank Asia Limited (the “**Lender**”) for the grant of a revolving credit facility of S\$2,000,000 (the “**Facility**”). The Facility will be used to support BHG Retail REIT’s working capital requirement.

Pursuant to Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Manager wishes to announce that the Facility Letter contains the following conditions which make reference to a controlling unitholder’s interests in BHG Retail REIT and the change in the manager of BHG Retail REIT.

Under the terms and conditions of the Facility Letter, if:

- (a) Beijing Hua Lian Group (Singapore) International Trading Pte. Ltd. owns (whether directly or indirectly) less than 20% of the total number of issued units of BHG Retail REIT; or
- (b) the Manager resigns or is removed as the manager of BHG Retail REIT without the prior written consent of the Lender,

(collectively, the “**BHG Events**”), it is an event of default.

As of the date of this announcement, none of the BHG Events described above has occurred. In the event any BHG Event occurs, it may cause a default in the Facility and may also trigger cross defaults of the other facilities of BHG Retail REIT. As at the date of this announcement, the aggregate amount of facilities that may be affected is approximately S\$222 million (excluding interest and fees).

BY ORDER OF THE BOARD

BHG Retail Trust Management Pte. Ltd.
(Company Registration No.: 201504222D)
as manager of BHG Retail REIT

Chan Iz-Lynn
Chief Executive Officer
8 February 2019

IMPORTANT NOTICE

This announcement is for information only and does not constitute an offer, invitation to purchase or subscribe for or solicitation of Units in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. The value of the 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, DBS Trustee Limited, as trustee of BHG Retail REIT, Beijing Hualian Department Store Co., Ltd., as the sponsor of BHG Retail REIT or any of their respective affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Following the listing of the Units on the SGX-ST, investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that holders of Units 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.

This announcement is not an offer or sale of the Units in the United States or any other jurisdiction. The Units 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 absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. Any public offering of the Units in the United States would be made by means of a prospectus that would contain detailed information about BHG Retail REIT, the Manager and its management, as well as financial statements. There is no intention to register any portion of the offering in the United States or to conduct a public offering of securities in the United States. The Units are being offered and sold outside the United States (including to institutional and other investors in Singapore) in reliance on Regulations under the Securities Act.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of any other jurisdiction.