



Trust Management (Suntec) Limited

Suntec Real Estate Investment Trust
("Suntec REIT")

Manager of



CONVERTIBLE BONDS DUE 2024 SGX-ST APPROVAL IN-PRINCIPLE

ARA Trust Management (Suntec) Limited, as manager (the "**Manager**") of Suntec Real Estate Investment Trust ("**Suntec REIT**"), is pleased to announce that Singapore Exchange Securities Trading Limited (the "**SGX-ST**") has on 23 November 2017 granted in-principle approval for the listing and quotation of (a) up to S\$350.0 million¹ in aggregate principal amount of 1.75 per cent. convertible bonds due 2024 (the "**Convertible Bonds**"), convertible into cash and/or new ordinary units of Suntec REIT ("**New Units**"), and (b) up to 159,890,360 New Units to be issued upon the full conversion of the Convertible Bonds.

The SGX-ST's in-principle approval for the listing and quotation of the Convertible Bonds and the New Units was granted subject to, inter alia, the following conditions:

- (a) compliance with the SGX-ST's listing requirements;
- (b) announcement of the conditions under which the price of the New Units to be issued on conversion of the Convertible Bonds may be adjusted and the conditions under which the Convertible Bonds may be redeemed; and
- (c) submission to the SGX-ST of the following:
 - (i) a written undertaking from the Manager that the Convertible Bonds have been offered to the persons specified in Sections 274 and 275 of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**") in Singapore (or such equivalent terms in the relevant jurisdictions where the Convertible Bonds are subscribed);
 - (ii) a written confirmation from the Manager that the offering circular to be issued contains all information that the persons specified in Sections 274 and 275 of the SFA in Singapore (or such equivalent terms in the relevant jurisdictions where the Convertible Bonds are subscribed) would customarily expect to see in introductory documents or offering circulars for similar debt issues;

¹ The Manager proposes to issue S\$300.0 million (with an upside option to increase by up to S\$50.0 million in aggregate principal amount of convertible bonds which may be exercised within 30 days after the pricing date of 8 November 2017) in aggregate principal amount of 1.75 per cent. convertible bonds due 2024.

- (iii) a duly signed undertaking in the format set out in Appendix 2.3.1 of the Listing Manual of the SGX-ST (the “**Listing Manual**”);
- (iv) a copy of the signed subscription agreement, agent bank agreement, and fiscal agency agreement;
- (v) a written confirmation from the Manager that the terms of the Convertible Bonds comply with Listing Rule 829(1) of the Listing Manual;
- (vi) a written undertaking from the Manager that it will comply with Listing Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of the proceeds from the issuance of the Convertible Bonds and conversion of the Convertible Bonds and where proceeds are to be used for working capital purposes, Suntec REIT will disclose a breakdown with specific details on the use of proceeds for working capital in Suntec REIT’s announcements on use of proceeds and in the annual report;
- (vii) a written undertaking from the Manager and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (lead manager and underwriter for the Issue of the Convertible Bonds, “**Lead Manager**”) that they will comply with Listing Rule 803 of the Listing Manual (i.e. will not allot and issue the Convertible Bonds so as to transfer a controlling interest in Suntec REIT without the prior approval of Suntec REIT’s unitholders in a general meeting);
- (viii) a written undertaking from the Manager and the Lead Manager that they will not place the Convertible Bonds to persons prohibited under Listing Rule 812(1) of the Listing Manual;
- (ix) a written undertaking from the Manager to announce any adjustment made pursuant to Listing Rule 829(1) of the Listing Manual; and
- (x) a written confirmation from the Manager that the terms of the Convertible Bonds has included the maximum number of units which would be issued upon conversion as required under Listing Rule 832(1) and to disclose accordingly via SGXNet.

The SGX-ST’s in-principle approval for the listing and the quotation of the Convertible Bonds and the New Units is not to be taken as an indication of the merits of the proposed Convertible Bonds issue, the New Units, Suntec REIT and/or its subsidiaries.

BY ORDER OF THE BOARD

ARA Trust Management (Suntec) Limited
 (as manager of Suntec Real Estate Investment Trust)
 (Company registration no. 200410976R)

Chan Kong Leong
 Chief Executive Officer and Executive Director

23 November 2017

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 25.0% 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 retail and/or office 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**").

Established in 2002, ARA is a premier integrated real estate fund manager driven by a vision to be the best-in-class real estate fund management company focused on the management of real estate investment trusts ("**REITs**") and private real estate funds.

ARA's business is focused on the following segments:

- (a) REITs – ARA is one of the largest REIT managers in Asia ex-Japan and currently manages six REITs listed in three countries, namely Fortune REIT dual-listed in Singapore and Hong Kong, Suntec REIT and Cache Logistics Trust listed in Singapore, Hui Xian REIT and Prosperity REIT listed in Hong Kong and AmFIRST REIT listed in Malaysia. The Group also manages six privately-held REITs in South Korea;
- (b) Private real estate funds – The Group manages 9 private funds investing in real estate in Asia; and
- (c) Real estate management services – The Group provides property management services and convention & exhibition services, including managing the award-winning Suntec Singapore Convention & Exhibition Centre.

ARA's diverse suite of REITs and private real estate funds are invested in the office, retail, logistics/industrial, hospitality and residential sectors. ARA has distinguished itself over the years with its unique investor-operator philosophy, which nurtures each asset from acquisition to divestment to add value to every stage of the asset life cycle. Built on a foundation of strong corporate governance and business integrity, it counts some of the world's largest pension funds, financial institutions, endowments and family offices as its investors.

ARA has approximately 1,300 staff in 19 cities in seven countries. It manages close to 100 properties measuring 57 million square feet in Asia Pacific, with approximately S\$35 billion in assets under management.

IMPORTANT NOTICE

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units and/or Convertible Bonds.

The Convertible Bonds and the Units issuable upon conversion of the Convertible Bonds have not been, and will not be registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) and may not be offered or sold within the United States, except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act. This notice is for information purposes only and does not constitute an offer or sale of Convertible Bonds or Units issuable upon conversion of the Convertible Bonds in the United States or any other jurisdiction. Neither this notice nor any portion hereof may be sent or transmitted into the United States or any jurisdiction where to do so is unlawful. Any failure to comply with these restrictions may constitute a violation of the United States securities law or the securities laws of any such other jurisdiction.

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 other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), 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.

The value of Units and the Convertible Bonds 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 and/or Convertible Bonds is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will 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 and Convertible Bonds on the SGX-ST does not guarantee a liquid market for the Units and/or Convertible Bonds.

The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.