



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

PROPOSED MERGER OF OUE COMMERCIAL REIT AND OUE HOSPITALITY TRUST BY WAY OF A TRUST SCHEME OF ARRANGEMENT

RECEIPT OF APPROVAL IN-PRINCIPLE FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

1. INTRODUCTION

OUE Commercial REIT Management Pte. Ltd., as manager of OUE Commercial Real Estate Investment Trust ("**C-REIT**", and the manager of C-REIT, the "**C-REIT Manager**"), refers to the announcement dated 8 April 2019 (the "**Announcement**") on the proposed merger of C-REIT and OUE Hospitality Trust ("**H-Trust**") (the "**Proposed Merger**"). Unless otherwise stated, capitalised terms used in this announcement shall have the meanings set out in the Announcement.

As stated in the Announcement, the Proposed Merger will be effected through the acquisition by DBS Trustee Limited, acting in its capacity as trustee of C-REIT (the "**C-REIT Trustee**"), of all the Stapled Securities held by the Stapled Securityholders by way of the Trust Scheme. Pursuant to the Implementation Agreement, in consideration of the transfer of Stapled Securities and subject to the Trust Scheme becoming effective in accordance with its terms, each of the C-REIT Trustee and the C-REIT Manager agrees to pay or procure the payment of the following consideration for each Stapled Security held by each Stapled Securityholder as at the Books Closure Date:

- (i) firstly, the payment by the C-REIT Trustee of a sum of S\$0.04075 in cash per Stapled Security; and
- (ii) secondly, allot and issue, or procure the allotment and issuance (as the case may be), by the C-REIT Manager of 1.3583 new C-REIT Units per Stapled Security (the "**Consideration Units**"), such Consideration Units to be credited as fully paid,

in accordance with the terms and conditions of the Implementation Agreement.

2. APPROVAL IN-PRINCIPLE

The SGX-ST has on 21 June 2019 given its approval in-principle for the listing and quotation of up to 2,502,368,363 Consideration Units on the Main Board of the SGX-ST.

The approval in-principle for the listing and quotation of the Consideration Units is subject to the following conditions:

- (i) compliance with the SGX-ST's listing requirements;
- (ii) approval of the independent C-REIT Unitholders being obtained for the Proposed Merger and the Proposed Issuance of the Consideration Units; and
- (iii) submission of the following:
 - (A) written confirmation by the financial advisers to the Proposed Merger that the Proposed Merger has complied with Rule 210(4)(a) of Listing Manual;
 - (B) signed declarations by each new director, controlling unitholder and executive officer appointed by the C-REIT Manager, in the form set out in paragraph 8, VII of the Fifth Schedule, Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005; and
 - (C) signed moratorium agreements from the new and existing controlling C-REIT Unitholders in compliance with Rules 227, 228 and 229 of the Listing Manual.

The SGX-ST's approval in-principle for the listing and quotation of the Consideration Units is not to be taken as an indication of the merits of the Proposed Merger, the Consideration Units, C-REIT and/or its subsidiaries.

3. RESPONSIBILITY STATEMENT

The directors of the C-REIT Manager (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement which relate to C-REIT and/or the C-REIT Manager (excluding information relating to H-Trust and/or the H-Trust Managers) are fair and accurate and that there are no other material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. The directors of the C-REIT Manager jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from H-Trust and/or the H-Trust Managers, the sole responsibility of the directors of the C-REIT Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement. The directors of the C-REIT

Manager do not accept any responsibility for any information relating to H-Trust and/or the H-Trust Managers or any opinion expressed by H-Trust and/or the H-Trust Managers.

4. FURTHER DETAILS

The C-REIT Manager will make further announcements, in compliance with the requirements of the Listing Manual, as and when there are material developments in respect of the Proposed Merger, the Trust Scheme, the Implementation Agreement and/or other matters contemplated by this announcement.

Further details on the Proposed Merger, the Trust Scheme and the related transactions in connection therewith will be set out in the circular intended to be issued to the C-REIT Unitholders in due course, together with a notice of the EGM that the C-REIT Manager proposes to convene for the purpose of seeking the relevant approvals of C-REIT Unitholders in relation to the Proposed Merger and the proposed issuance of the Consideration Units.

In the meantime, C-REIT Unitholders are advised to refrain from taking any action in relation to their C-REIT Units which may be prejudicial to their interests, until they or their advisers have considered the information and the recommendations of the Independent Directors on the Proposed Merger and the proposed issuance of the Consideration Units as well as the advice of the independent financial adviser, Deloitte & Touche Corporate Finance Pte Ltd, which will be set out in the circular to be issued to the C-REIT Unitholders in due course.

By Order of the Board

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

21 June 2019

Any queries relating to this announcement, the Proposed Merger or the Trust Scheme should be directed to one of the following during office hours:

OUE Commercial REIT Management Pte. Ltd.

Citigroup Global Markets Singapore Pte. Ltd.

Tel: +65 6657 1959

Credit Suisse (Singapore) Limited

Tel: +65 6212 2000

Oversea-Chinese Banking Corporation Limited

Tel: +65 6530 4825

IMPORTANT NOTICE

The value of the units in C-REIT ("**Units**") and the income derived from them may fall or rise. The Units are not obligations, or deposits in, or guaranteed by the C-REIT Manager, or DBS Trustee Limited (as trustee of C-REIT). An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. The past performance of C-REIT is not necessarily indicative of the future performance of C-REIT.

Unitholders have no right to request that the C-REIT Manager redeems or purchases 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.

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 C-REIT Manager's current view of future events, and the C-REIT Manager undertakes no obligation to update publicly or revise any forward-looking statements.