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The Convertible Bonds and the Units issuable on conversion of the Convertible Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and, subject to certain exceptions, may not be offered or sold within the United States. In addition, the Convertible Bonds and the Units issuable on conversion of the Convertible Bonds are being offered and sold outside of the United States in reliance on Regulation S and may not be offered, sold, pledged or otherwise transferred except in an offshore transaction in accordance with Regulation S of the Securities Act.



(Constituted in the Republic of Singapore pursuant to a trust deed dated 28 November 2005 (as amended))

PROPOSED ISSUE OF S\$200.0 MILLION UNSECURED FIXED RATE CONVERTIBLE BONDS OF KEPPEL REIT DUE 2024, CONVERTIBLE INTO FULLY PAID UNITS OF KEPPEL REIT

Capitalised terms that are not defined in this announcement shall have the same meaning as set out in the Launch Announcement (as defined below).

1. INTRODUCTION

Further to the announcement dated 2 April 2019 (the "**Launch Announcement**") in relation to the proposed issue of convertible bonds due 2024 (the "**Convertible Bonds**"), which are convertible into new units in the capital of Keppel REIT ("**Units**", and the issue of the Convertible Bonds, the "**Issue**"), the Board of Directors of Keppel REIT Management Limited, as manager (the "**Manager**") of Keppel REIT, is pleased to announce that the offering of the Convertible Bonds has been priced on this date (the "**Pricing Date**").

The Issue was well subscribed and S\$200.0 million in aggregate principal amount of Convertible Bonds have been fully placed out to institutional investors and other investors.

BNP Paribas and Credit Suisse (Singapore) Limited are the joint lead managers for the Issue of the Convertible Bonds (the "**Joint Bookrunners**").

2. PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

The principal terms and conditions of the Convertible Bonds are summarised as follows:

Issue Size	:	S\$200.0 million in aggregate principal amount of Convertible Bonds.
Issue Price	:	100.0 per cent. of the principal amount of the Convertible Bonds.
Form and Denomination of the Convertible Bonds	:	The Convertible Bonds will be issued in registered form in denominations of S\$250,000 each or integral multiples thereof. Upon issue, the Convertible Bonds will be represented by a global certificate deposited with, and registered in the name of Bank of New York Mellon, London Branch, being a nominee of Euroclear Bank SA/NV (Euroclear) and Clearstream Banking S.A.

Security	:	Nil.
Settlement and Payment	:	Subject to fulfilment of the conditions set out in the subscription agreement entered into between the Trustee, the Manager and the Joint Bookrunners dated 2 April 2019, settlement and payment for the Convertible Bonds is expected to take place in Singapore on or about 10 April 2019 or such other date as may be agreed between the Trustee, the Manager and the Joint Bookrunners.
Maturity Date	:	On or about 10 April 2024.
Interest	:	The Convertible Bonds bear interest from and including 10 April 2019 at the rate of 1.90% per cent. per annum on the principal amount of the Convertible Bonds payable semi-annually in arrear on 10 April and 10 October in each year.
Conversion	:	The number of Units to be issued on conversion of the Convertible Bonds (" Conversion Units ") will be determined by dividing the principal amount of the Convertible Bond to be converted by the then prevailing conversion price at which new Units will be issued upon conversion, as adjusted from time to time (the " Conversion Price ") in respect of the Convertible Bonds.
Initial Conversion Price	:	S\$1.4625 for each new Unit.
Conversion Period	:	Convertible at the option of the holder of the Convertible Bonds (each, a " Bondholder "), at any time on or after 9.00 a.m. on or about 21 May 2019 up to the close of business on the date falling (i) 31 March 2024 or (ii) if such Convertible Bond shall have been called for redemption before 31 March 2024, no later than seven business days prior to the date fixed for redemption, (as the case may be), subject to customary closed periods and the terms and conditions of the Convertible Bonds (the " Terms and Conditions ").
Adjustments to Conversion Price	:	The Conversion Price will be subject to adjustment in certain events including: consolidation or subdivision or reclassification of Units, capitalisation of profits or reserves, excess distributions (see section entitled "Adjustments to Conversion Price Arising from Extraordinary Distributions" below for further details), rights issues of Units or options over Units, rights issues of other securities, issues at less than current market price, other issues at less than current market price and other dilutive events. The adjustments are determined in accordance with the specified formulas set out in the Terms and Conditions.
Adjustments to Conversion Price arising from Extraordinary Distributions	:	The Conversion Price will be subject to adjustment in event if and wherever the Issuer shall pay or make any Relevant Distribution to its Unitholders (i) which results in the Distribution Threshold (as defined below) being exceeded or breached or (ii) whilst the Distribution Threshold is so exceeded or breached, the Conversion Price shall be adjusted by multiplying the Conversion

Price in force immediately before such Relevant Distribution is paid or made in accordance with the specified formulas set out in the Terms and Conditions.

Such adjustment shall become effective on the date that such Relevant Distribution is paid or made. Any adjustment pursuant to this Condition shall only be made with respect to the portion of such Relevant Distribution in cash which exceeds the Distribution Threshold (the “**Excess Portion**”) and only the Excess Portion shall be taken into account in the determination of the amount of cash distributed applicable to one Unit.

“**Distribution Threshold**” is the amount of Relevant Distribution in any financial year of the Issuer (the “**Relevant Year**”), to the extent that:

- (i) in the event that only one Relevant Distribution in cash is paid or made in that Relevant Year, that Relevant Distribution in cash attributable to one Unit; or
- (ii) in the event that more than one Relevant Distribution in cash is paid or made in that Relevant Year, the aggregate of each Relevant Distribution in cash attributable to one Unit,

does not exceed the sum specified in the Terms and Conditions.

“**Relevant Distribution**” means:

- (i) any distribution of assets in specie by the Issuer for any Financial Year whenever paid or made and however described (and for these purposes a distribution of assets in specie includes, without limitation, an issue of Units or other securities credited as fully or partly paid (other than Units credited as fully paid to the extent an adjustment to the Conversion Price is made pursuant to the Terms and Conditions) by way of capitalisation of reserves); and
- (ii) any cash distribution or distribution of any kind by the Issuer for any Financial Year (whenever paid and however described),

but excluding any distributions declared by the Manager prior to the Closing Date.

**Conditional
Automatic Cash
Settlement**

: In the event that conversion rights are exercised and the Issuer has not obtained the necessary approval from the SGX-ST for the admission to the Official List of the SGX-ST for the Units to be issued and delivered upon conversion of the Bonds (in order to satisfy the conversion right in respect of a conversion notice), the exercise of the conversion rights shall be satisfied by the payment by the Issuer of the cash settlement amount as specified in the Terms and Conditions to the relevant Bondholder in order to satisfy such conversion right.

Status of the Convertible Bonds : The Convertible Bonds will constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves. The payment obligations of the Issuer under the Convertible Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law, at all times rank at least equally with all of the Issuer's other present and future direct, unsubordinated, unconditional and unsecured obligations.

Status of the Conversion Units : The Conversion Units will, when issued and delivered in accordance with the trust deed constituting the Convertible Bonds, be freely transferable, free and clear of all liens, encumbrances, security interests or claims of third parties.

Negative Pledge : So long as any Convertible Bond remains outstanding (as defined in the Bond Trust Deed), the Issuer will not create or permit to subsist, and the Issuer will procure that none of its Subsidiaries (as defined in the Terms and Conditions) will, create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest ("**Security**") upon the whole or any part of its undertaking, assets or revenues, present or future, to secure any International Investment Securities (as defined in the Terms and Conditions) or to secure any guarantee of or indemnity in respect of, any International Investment Securities unless, at the same time or prior thereto, the Issuer's obligations under the Convertible Bonds and the Bond Trust Deed (i) are secured equally and rateably therewith, or (ii) have the benefit of such other security, guarantee, indemnity or other arrangement as the trustee of the Convertible Bonds in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or (iii) as shall be approved by an Extraordinary Resolution (as defined in the Bond Trust Deed) of the Bondholders.

Nothing in the above paragraph:

- (i) shall prohibit or restrict the creation Issuer or any of its Subsidiaries of any Security over any property or assets (or of any entity) acquired, purchased or owned, or to be acquired, purchased or owned by the Issuer or any of its Subsidiaries, for the purpose of securing the payment of any sum due in respect of the International Investment Securities or any payment under any guarantee of, or indemnity or other like obligation relating to the International Investment Securities, the proceeds of which are to be applied towards financing or refinancing the cost of the acquisition, purchase, development, construction, redevelopment and ownership of such property or assets; or
- (ii) shall prohibit or restrict the Issuer or any of its Subsidiaries from securing any indebtedness evidenced by International Investment Securities where the Security is existing on any

property or asset or interest in any entity or asset at the time it is acquired; or

(iii) shall extend to any Security of the Issuer or any of its Subsidiaries existing as at the date hereof, or any refinancing thereof; or

(iv) shall apply to any Security arising through mandatory operation of law.

“International Investment Securities” means any present or future indebtedness in the form of, or represented by, bonds, debentures, notes or other debt securities which are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market and having an original maturity of more than 365 days from its date of issue.

Conversion for Change of Control : Following the occurrence of a change of control event (as described in the Terms and Conditions), each Bondholder will have the right, at such Bondholder’s option, to exercise such Bondholder’s conversion right at a Conversion Price determined in accordance with the specified formula set out in the Terms and Conditions to convert the Convertible Bonds into Units.

Final Redemption : Unless previously redeemed, converted or purchased and cancelled as provided in the Terms and Conditions, the Issuer will redeem each Convertible Bond at 100.0 per cent. of its principal amount together with accrued interest up to (but excluding the Maturity Date).

Redemption at the Option of the Bondholders : Bondholders may require the Issuer to redeem at 100.00 per cent. of their principal amount, together with accrued interest (calculated up to but excluding the date of redemption):

- (i) all or some of their Convertible Bonds, on 10 April 2022;
- (ii) all (but not less than all) of their Convertible Bonds, in the event that the Units cease to be listed or admitted to trading or are suspended for a period equal to or exceeding 30 consecutive Trading Days on the SGX-ST or an Alternative Stock Exchange (as defined in the Terms and Conditions); or
- (iii) all (but not in part) of their Convertible Bonds, upon the occurrence of a change of control event (as defined in the Terms and Conditions).

Redemption at the Option of the Issuer : (i) On or at any time after a date falling three years from the Closing Date but not less than seven business days (as defined in the Terms and Conditions) prior to the Maturity Date, the Issuer may, having given not less than 30 days’ nor more than 60 days’ notice to the Bondholders, the trustee of the Convertible Bonds and any paying agent

(which notice shall be irrevocable), redeem all of the Convertible Bonds, or some only subject to the Terms and Conditions, at 100.00 per cent. of their principal amount together with accrued interest (calculated up to but excluding the date of redemption), provided that the closing price of the Units for each of the 20 consecutive Trading Days (as defined in the Terms and Conditions), the last day of which period occurs no more than 20 Trading Days prior to the date on which notice of such redemption is given, was at least 130.0 per cent. of the Conversion Price in effect on such Trading Day.

- (ii) On the expiry of any such notice, the Issuer will be bound to redeem the Convertible Bonds at 100.00 per cent. of their principal amount together with accrued interest (calculated up to but excluding the date of redemption) at the date fixed for such redemption.
- (iii) If at any time the aggregate principal amount of the Convertible Bonds outstanding is less than 10.00 per cent. of the aggregate principal amount originally issued, the Issuer shall have the option to redeem such outstanding Convertible Bonds in whole but not in part at 100.00 per cent. of their principal amount together with accrued interest (calculated up to but excluding the date of redemption) at the date fixed for such redemption. The Issuer will give at least 30 days' but not more than 60 days' prior notice to the Bondholders for such redemption.

**Redemption for
Taxation Reasons**

: At any time the Issuer may, having given not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) redeem all, but not some, of the Convertible Bonds at 100.00 per cent. of their principal amount together with accrued interest (calculated up to but excluding the date of redemption) at the date fixed for redemption, if the Issuer satisfies the trustee of the Convertible Bonds immediately prior to the giving of such notice that:

- (i) the Issuer has or will become obliged to pay additional amounts (as referred to in the Terms and Conditions) as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would

be obliged to pay such additional amounts in respect of the Convertible Bonds then due.

- Redemption for Delisting of the Units** : In the event the Units cease to be listed or admitted to trading on the SGX-ST, or, if applicable, the Alternative Stock Exchange (as defined in the Terms and Conditions), or are suspended from trading on the SGX-ST or, if applicable, the Alternative Stock Exchange for a period of more than 30 consecutive Trading Days, each Bondholder shall have the right, at such Bondholder's option, to require the Issuer to redeem in whole but not in part such Bondholder's Bonds at their principal amount plus interest accrued to such date of redemption.
- Listing** : Application will be made to list the Convertible Bonds and the Conversion Units on the SGX-ST.
- Lock-Up** : 90 days from the Closing Date for the issuance of new Units (or securities convertible into Units), subject to carve-outs for issues of to the Manager in full or part payment of the Manager's management fees; any Units which may be issued by the Manager in full or part consideration for any acquisition by Keppel REIT and any Units which may be issued by the Manager as part of a distribution reinvestment plan.
- Governing Law** : English Law

3. NEW CONVERSION UNITS

The number of new Conversion Units to be allotted and issued by the Issuer, pursuant to the full conversion of the S\$200.0 million in aggregate principal amount of Convertible Bonds is approximately 136,752,137 new Conversion Units (based on the Initial Conversion Price and assuming no adjustments to the Initial Conversion Price). The 136,752,137 new Conversion Units represent approximately 4.0 per cent. of the existing Units in issue as of the date of this announcement.

4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS OR UNITHOLDERS

None of the Directors or the controlling shareholder of the Manager or the controlling Unitholders has any interest, direct or indirect, in the Issue.

BY ORDER OF THE BOARD
Keppel REIT Management Limited
(Company Registration Number: 200411537K)
as manager of Keppel REIT

Kelvin Chua / Marc Tan
Joint Company Secretaries
2 April 2019

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 is not for distribution, directly or indirectly, in or into the European Economic Area (the “**EEA**”). The Convertible Bonds are not being offered or sold, and may not be offered or sold, directly or indirectly, to or into the EEA. 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 Unitholders 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 Keppel REIT is not necessarily indicative of the future performance of Keppel REIT.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore: The Convertible Bonds 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).