

**Offer Information Statement dated 23 November 2018**

(Lodged with the Monetary Authority of Singapore on 23 November 2018)

**THIS OFFER INFORMATION STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.**

The collective investment scheme offered in this Offer Information Statement is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). A copy of this Offer Information Statement and the Entitlement Letter<sup>1</sup> has been lodged with the Monetary Authority of Singapore (the "Authority" or the "MAS"). The Authority assumes no responsibility for the contents of this Offer Information Statement and the Entitlement Letter. Lodgement of this Offer Information Statement with the Authority does not imply that the SFA, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the units being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from Singapore Exchange Securities Trading Limited ("SGX-ST") for the listing and quotation of the new units to be issued for the purpose of the Rights Issue (the "Rights Units") on the Main Board of the SGX-ST. The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Rights Issue, the Rights Units, Cromwell European Real Estate Investment Trust ("CEREIT") and/or its subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Offer Information Statement. No units of CEREIT ("Units") shall be allotted or allocated on the basis of this Offer Information Statement later than the date falling six months from the date of lodgement of this Offer Information Statement.

This Offer Information Statement may not be sent to any person or any jurisdiction in which it would not be permissible to deliver the Rights Units and the "nil-paid" provisional allotment of Rights Units to Eligible Unitholders (as defined herein) under the Rights Issue (the "Rights Entitlements") or make an offer of the Rights Units and the Rights Entitlements and the Rights Units and Rights Entitlements may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. The Rights Units and Rights Entitlements have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") or under any securities laws of any state or other jurisdiction of the United States ("US") and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the US except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the US. The Rights Units and Rights Entitlements may only be offered, sold, pledged, taken up, exercised, resold, transferred or delivered (as applicable), directly or indirectly in the U.S. in transactions exempt from the registration requirements of the Securities Act, to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) ("QIBs") who have provided to the Manager (and which the Manager has accepted) a signed investor representation letter in the form attached hereto as **Appendix E** of this Offer Information Statement (the "Investor Representation Letter"). The Rights Units and Rights Entitlements are being offered and sold outside the US in offshore transactions as defined in and in reliance on Regulation S under the Securities Act ("Regulation S"). Please refer to the section entitled "Offering, Selling and Transfer Restrictions" of this Offer Information Statement.



(a real estate investment trust constituted on 28 April 2017 under the laws of the Republic of Singapore)

MANAGED BY

**CROMWELL EREIT MANAGEMENT PTE. LTD.**  
Company Registration Number: 201702701N

**RENOUNCEABLE AND UNDERWRITTEN RIGHTS ISSUE (THE "RIGHTS ISSUE") OF 600,834,459 RIGHTS UNITS AT AN ISSUE PRICE OF €0.373<sup>2</sup> FOR EACH RIGHTS UNIT (THE "ISSUE PRICE"), ON THE BASIS OF 38 RIGHTS UNITS FOR EVERY 100 EXISTING UNITS (THE "RIGHTS RATIO") HELD BY ELIGIBLE UNITHOLDERS AS AT 23 NOVEMBER 2018 AT 5.00 P.M. (THE "RIGHTS ISSUE BOOKS CLOSURE DATE"), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED**

Joint Global Co-ordinators and Bookrunners in relation to the Rights Issue



Morgan Stanley

**IMPORTANT DATES AND TIMES**

(The following is qualified by, and should be read in conjunction with, the section entitled "Timetable of Key Events" of this Offer Information Statement)

**APPLICATIONS SHALL ONLY BE THROUGH AN ATM OF A PARTICIPATING BANK AND NOT THROUGH MAIL TO CDP**

First date and time for subscription and payment of Rights Units	: 28 November 2018 from 9.00 a.m. <sup>3</sup>
Commencement of trading of Rights Entitlements	: 28 November 2018 from 9.00 a.m.
Last date and time for trading of Rights Entitlements	: 6 December 2018 at 5.00 p.m.
Last date and time for subscription and payment for Rights Units	: 12 December 2018 at 9.30 p.m. <sup>3</sup>
Last date and time for acceptance of and payment by the renounee	: 12 December 2018 at 9.30 p.m. <sup>3</sup>

- "Entitlement Letter"** means the letter to Eligible Unitholders stating their respective Rights Entitlements and the mode of application for Rights Units and Excess Rights Units.
- For applications through ATMs of DBS Bank Ltd. ("DBS") (including POSB), the ATMs will show an issue price of S\$0.5904 for each Rights Unit (based on the exchange rate of approximately €1.00 = S\$1.5828) (the "DBS Fixed FX Rate"). Any refund monies for Eligible Unitholders who make Electronic Applications through ATMs of DBS (including POSB) will be credited in Singapore dollars based on the DBS Fixed FX Rate. For applications through ATMs of Oversea-Chinese Banking Corporation Limited ("OCBC") and United Overseas Bank Limited ("UOB"), the ATMs will show an issue price of €0.373 for each Rights Unit and applicants will pay the application monies in Singapore dollars based on the respective bank's prevailing board rate at the time of application.
- Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays (excluding public holidays) between 7.00 a.m. and 9.30 p.m. **Please note that Electronic Applications through the ATMs of Participating Banks will not be available on 8 December 2018 due to a system migration.**



## NOTICE TO UNITHOLDERS AND INVESTORS

No person has been authorised to give any information or make any representations other than those contained in this Offer Information Statement in connection with the Rights Issue and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of CEREIT, Cromwell EREIT Management Pte. Ltd., as manager of CEREIT (the “**Manager**”), Perpetual (Asia) Limited, as trustee of CEREIT (the “**Trustee**”), or UBS AG, Singapore Branch, DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte. and Daiwa Capital Markets Singapore Limited, as joint global co-ordinators and bookrunners in relation to the Rights Issue (collectively, the “**Joint Global Co-ordinators and Bookrunners**”). Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of CEREIT or the Manager. Neither the delivery of this Offer Information Statement nor the issue of the Rights Units shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no material change in the affairs of CEREIT or in any of the information contained herein since the date of this Offer Information Statement. Where such changes occur after the date of this Offer Information Statement and are material and required to be disclosed by law and/or the SGX-ST, the Manager will announce such changes via SGXNET<sup>1</sup>, and if required, lodge a supplementary or replacement document with the Authority. All holders of Units (“**Unitholders**”) and investors should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

For Eligible Unitholders, acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units may only be made through an automated teller machine (“**ATM**”) of DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited or United Overseas Bank Limited (each a “**Participating Bank**”) in accordance with the terms and conditions of this Offer Information Statement (“**Electronic Application**”). Eligible Unitholders making Electronic Applications through ATMs will pay the application monies in Singapore dollars based on the respective Participating Bank’s Foreign Exchange Rate<sup>2</sup> at the time of application. Any refund monies for Eligible Unitholders who make Electronic Applications through ATMs of Participating Banks will be credited in Singapore dollars based on the respective Participating Bank’s Refund Foreign Exchange Rate<sup>3</sup>. Different prevailing board rates at the time of application and at the time of refund of the application monies will result in either a foreign exchange profit or loss to such application monies. **Supplementary Retirement Scheme (“SRS”) investors and investors who hold Units through a finance company and/or Depository Agent (as defined herein) should see the section entitled “Important Notice to (A) SRS Investors and (B) Investors Who Hold Units Through a Finance Company and/or Depository Agent” of this Offer Information Statement for important details relating to the offer procedures for them.**

This Offer Information Statement and the Entitlement Letter may not be used for the purpose of, and does not constitute, an offer, invitation or solicitation in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is unlawful or unauthorised, or to any person to whom it is unlawful to make such offer, invitation or solicitation. In addition, no action has been or will be taken in any jurisdiction (other than Singapore) that would permit a public offering of the Rights Units or the possession, circulation or distribution of this Offer Information

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1 An internet-based corporate announcement submission system maintained by the SGX-ST.

2 “**Participating Bank’s Foreign Exchange Rate**” means the relevant foreign exchange rates used by each of the Participating Banks to determine the amount of Singapore dollars payable, which for DBS (including POSB) means the DBS Fixed FX Rate; and for OCBC and UOB means the respective bank’s prevailing board rate at the time of application.

3 “**Participating Bank’s Refund Foreign Exchange Rate**” means the relevant foreign exchange rates used by each of the Participating Banks to determine the amount of Singapore dollars refundable, which for Eligible Unitholders who made Electronic Applications through ATMs of DBS (including POSB) means the DBS Fixed FX Rate and for Eligible Unitholders who made Electronic Applications through ATMs of OCBC and UOB means the respective bank’s prevailing board rate at the time of refund.

Statement or any other material relating to CEREIT or the Rights Units in any jurisdiction (other than Singapore) where action for that purpose is required. The Rights Units may not be offered or sold, directly or indirectly, and neither this Offer Information Statement nor any other offering material or advertisements in connection with the Rights Units may be distributed or published in or from any country or jurisdiction, except, in each case, under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction, and the Manager and the Trustee expressly reserve the right to determine in their sole discretion whether to comply with any such applicable rules and regulations for the Rights Units to be offered and sold in such country or jurisdiction. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice regarding an investment in the Rights Units and/or Units.

The Manager, the Trustee, the Joint Global Co-ordinators and Bookrunners and each of their respective officers and employees make no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Rights Units, the Rights Entitlements, the Units, the Manager or CEREIT and/or its subsidiaries, or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to subscribe for the Rights Units or to purchase the Rights Entitlements. Prospective subscribers of Rights Units and purchasers of Rights Entitlements should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of the affairs of CEREIT, including but not limited to, the assets and liabilities, profits and losses, financial position, financial performance, risk factors and prospects of CEREIT, and their own appraisal and determination of the merits of investing in CEREIT. Persons in doubt as to the action they should take should consult their business, financial, legal, tax or other professional adviser before deciding whether to subscribe for or purchase the Rights Units or the Rights Entitlements.

This Offer Information Statement and the accompanying documents have been prepared solely for the purposes of the Rights Issue and may not be relied upon for any other purposes.

The Rights Units and the Rights Entitlements have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the US and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the US except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the US. The Rights Units and the Rights Entitlements are being offered and sold in offshore transactions (as defined under Regulation S) in reliance on Regulation S under the Securities Act and within the US to a limited number of Eligible QIBs (as defined herein) in reliance on one or more exemptions from the registration requirements of the Securities Act. The distribution of this Offer Information Statement and the offer, sale and delivery of the Rights Units and the Rights Entitlements in certain jurisdictions may be prohibited or restricted by law. Persons who come into possession of this Offer Information Statement and/or its accompanying documents are required by the Manager, the Trustee, the Joint Global Co-ordinators and Bookrunners to inform themselves of, and observe, any such prohibitions and restrictions. Please refer to the section entitled "Offering, Selling and Transfer Restrictions" of this Offer Information Statement.

In addition, until 40 days after the commencement of the Rights Issue, or the procurement of purchasers by the Joint Global Co-ordinators and Bookrunners of the Rights Units not initially taken up, any offer, sale or transfer of the Rights Entitlements or the Rights Units in or into the US by a dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the Securities Act.

Selected financial data from the unaudited financial statements<sup>1</sup> of CEREIT for the financial period from 30 November 2017 (being the date of listing of CEREIT) (the “**Listing Date**”) to 30 September 2018 (the “**Unaudited Financial Statements**”) are set out in **Appendix A** of this Offer Information Statement. Financial data relating to distribution per Unit (“**DPU**”), earnings per Unit (“**EPU**”) and net asset value (“**NAV**”) per Unit, before and after any adjustment to reflect the Proposed Acquisition (as defined herein) and the Recently Announced Acquisitions (as defined herein) and the issue of the Rights Units are also set out in **Appendix A** of this Offer Information Statement.

Such selected financial data should be read together with the relevant notes to the Unaudited Financial Statements, where applicable, which are available on the website of CEREIT at <http://www.cromwelleuropeanreit.com.sg> and are also available for inspection during normal business hours at the registered office of the Manager at 50 Collyer Quay, #07-02 OUE Bayfront, Singapore 049321, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement<sup>2</sup>.

Save for the Unaudited Financial Statements which are deemed incorporated into this Offer Information Statement by reference, the information contained on the website of CEREIT does not constitute part of this Offer Information Statement.

**Prospective investors are advised to obtain and read the Unaudited Financial Statements (including the relevant notes, where applicable) before making any investment decision in relation to the Rights Units and the Rights Entitlements.**

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. None of the Manager or any of its affiliates guarantees the performance of CEREIT or the repayment of capital from CEREIT, or any particular rate of return.

Unitholders 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 Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of CEREIT is not necessarily indicative of the future performance of CEREIT.

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).

The Units are dual currency traded in Euros and Singapore dollars. Trades made in the Euro counter will be settled through SGX-ST in Euros. Trades made in the Singapore dollars counter will be settled through SGX-ST in Singapore dollars. The Units traded in both counters are identical. Investors who subscribe for the Rights Units may after it has been issued and credited trade in Euros and Singapore dollars.

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1 CEREIT was only listed on the SGX-ST on 30 November 2017 and has not yet issued any audited financial statements.

2 Prior appointment with the Manager will be appreciated.

## FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by CEREIT or the directors of the Manager (“**Directors**”), its officers or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as, without limitation, “anticipate”, “aim”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “predict”, “probable”, “project”, “seek”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the future financial position, operating results, business strategies, plans and future prospects of CEREIT and its subsidiaries (collectively, the “**Group**”) are forward-looking statements. The Manager, the Trustee and the Joint Global Co-ordinators and Bookrunners do not represent or warrant that the actual future performance, outcomes or results of CEREIT will be as discussed in those statements. These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are merely predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual, future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. Representative examples of such other 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 property expenses and operating expenses, taxes and governmental and public policy changes. Any prediction, projection or forecast on the economy or economic trends of the markets in which the Group operates is not necessarily indicative of the future or likely performance of the Group. (See the section entitled “Risk Factors” of this Offer Information Statement for a discussion of certain factors to be considered in connection with an investment in the Rights Units and the Rights Entitlements.)

Given the risks, uncertainties and other factors that may cause CEREIT’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, you are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events. Investors should read the whole of this Offer Information Statement and make their own assessment of the future performance of CEREIT before deciding whether to subscribe for the Rights Units and/or apply for Excess Rights Units (as defined herein). Investors should also make their own independent investigations of any bases and assumptions upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to an appropriate number of decimal places, where applicable.

This Offer Information Statement includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information.

## **Pro Forma Financial Information**

The *pro forma* financial information contained in this Offer Information Statement is based on historical statements reconstituted on a *pro forma* basis based on numerous assumptions and adjustments and is not necessarily indicative of the distributions or NAV of CEREIT that would have been attained had the completion of the Proposed Acquisition and/or the Recently Announced Acquisitions and/or the Rights Issue actually occurred in the relevant periods. Such *pro forma* financial information, because of its nature, may not give a true or accurate picture of CEREIT's actual distributions or NAV and the Manager, the Trustee, the Joint Global Co-ordinators and Bookrunners do not represent or warrant that the actual outcome of the Proposed Acquisition, the Recently Announced Acquisitions or the Rights Issue at the relevant dates or periods would have been as presented.

Under no circumstances should the inclusion of such information be regarded as a representation, warranty or prediction that these results would have been achieved, will be achieved or are likely to be achieved.

## **IMPORTANT NOTICE TO (A) SRS INVESTORS AND (B) INVESTORS WHO HOLD UNITS THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT**

Unitholders who have subscribed for or purchased Units under the SRS or through a finance company and/or Depository Agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Units by instructing the relevant banks, finance company and/or Depository Agent in which they hold their SRS Accounts (as defined herein) to do so on their behalf in accordance with this Offer Information Statement.

**ANY APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED UNITHOLDERS THROUGH ATMS WILL BE REJECTED.**

The above-mentioned Unitholders, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units to their respective approved bank, finance company and/or Depository Agent.

### **(i) Use of SRS Funds**

Unitholders who had purchased Units using their SRS Accounts and who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts.

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement. Such Unitholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date (as defined herein). Any acceptance and (if applicable) application made through Electronic Applications at ATMs of the Participating Banks, Boardroom Corporate & Advisory Services Pte. Ltd. (the “**Unit Registrar**”) and/or CEREIT will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the provisional allotments of the Rights Units directly from the market.

### **(ii) Holdings through Finance Company and/or Depository Agent**

Unitholders who hold Units through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

## ELIGIBILITY OF UNITHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

### ELIGIBLE UNITHOLDERS

“**Eligible Unitholders**” comprise Eligible Depositors and Eligible QIBs. “**Eligible Depositors**” are Unitholders with Units standing to the credit of their securities accounts with The Central Depository (Pte) Limited (“**CDP**”) (but do not include securities sub-account) (“**Securities Accounts**”) and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days<sup>1</sup> prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore. “**Eligible QIBs**” are qualified institutional buyers (as defined in Rule 144A under the Securities Act) (a) whose identities have been agreed upon by the Manager and the Joint Global Co-ordinators and Bookrunners, (b) who have each provided the Manager with a signed Investor Representation Letter (in the form attached to this Offer Information Statement as **Appendix E**), and (c) who are Eligible Depositors.

Eligible Unitholders will receive their Rights Entitlements under the Rights Issue on the basis of their unitholdings in CEREIT as at the Rights Issue Books Closure Date and are entitled to participate in the Rights Issue and to receive this Offer Information Statement (including the Entitlement Letter) at their respective Singapore addresses. Eligible Unitholders who do not receive this Offer Information Statement and the Entitlement Letter may obtain them from CDP for the period from the date the Rights Issue commences up to the Closing Date.

Eligible Unitholders are at liberty to accept in part or in full, decline or otherwise renounce or trade (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Units.

The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders (as defined herein) which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renouncees of the Rights Entitlements or the purchasers of Rights Entitlements (collectively, “**Excess Rights Units**”) will be aggregated and used to satisfy Excess Rights Units applications (if any) or disposed of or otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit.

Subject to the requirements of or otherwise waived by the SGX-ST, in the allotment of Excess Rights Units, preference will be given to the rounding of odd lots (if any) followed by allotment to the Unitholders who are neither Directors nor Substantial Unitholders (as defined herein). Directors and Substantial Unitholders who have control or influence over CEREIT or the Manager in connection with the day-to-day affairs of CEREIT or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors (“**Board**”), will rank last in priority for the rounding of odd lots and allotment of Excess Rights Units.

**All dealings in and transactions of the Rights Entitlements through the SGX-ST will be effected under the book-entry (scripless) settlement system.**

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1 “**Market Day**” refers to any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights Entitlements and for the applications for Excess Rights Units, including the mode of acceptance and application and payment, are contained in **Appendix B**, in **Appendix C** and in the Entitlement Letter.

## **INELIGIBLE UNITHOLDERS**

No Rights Entitlements will be provisionally allotted to Unitholders who are not Eligible Unitholders (“**Ineligible Unitholders**”) and no purported acceptance thereof or application for Excess Rights Units therefore by Ineligible Unitholders will be valid.

This Offer Information Statement and its accompanying documents (including the Entitlement Letter) will not be despatched to Ineligible Unitholders. This Offer Information Statement and its accompanying documents (including the Entitlement Letter) relating to the Rights Issue have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. Receipt of this Offer Information Statement and its accompanying documents or the crediting of Rights Entitlements to a securities account in CDP does not and will not constitute an offer in those jurisdictions in which it would be illegal and the Offer Information Statement and its accompanying documents should not be copied or redistributed.

The offer, sale and delivery of the Rights Units and the Rights Entitlements may be prohibited or restricted in certain jurisdictions under their relevant securities laws. Thus, for practical reasons and in order to avoid any violation of the securities legislation or other relevant laws applicable in countries (other than in Singapore) where Unitholders may have as their addresses registered with CDP, the Rights Issue will not be extended to Ineligible Unitholders.

The Rights Units and the Rights Entitlements have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the US and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the US except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the US. The Rights Units and the Rights Entitlements will only be offered and sold in offshore transactions in reliance on Regulation S.

This Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing or to transferees of the Rights Entitlements, whose registered addresses with CDP are outside Singapore (“**Foreign Purchasers**”). Foreign Purchasers are advised that their participation in the Rights Issue may be restricted or prohibited by the laws of the jurisdiction in which they are located or resident. Foreign Purchasers who wish to accept the Rights Entitlements credited to their Securities Accounts should ensure that they comply with the applicable rules, regulations and, subject to compliance with applicable laws and regulations, make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

The Manager reserves the right, but shall not be obliged, to treat as invalid any application or purported application, or decline to register such application or purported application which (i) appears to the Manager or its agents to have been executed in any jurisdiction outside Singapore or which the Manager believes may violate any applicable legislation of such jurisdiction, or (ii) purports to exclude any deemed representation or warranty. Notwithstanding the foregoing paragraphs, the Manager may in its sole discretion determine whether to allow the participation in the Rights Issue by Unitholders who are located, resident or with a registered address in other jurisdictions outside of Singapore, subject to and in compliance with the applicable securities and other laws of the relevant jurisdictions.

**Notwithstanding the above, Unitholders and any other person having possession of this Offer Information Statement are advised to inform themselves of and to observe all legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement may treat the same as an offer, invitation or solicitation to subscribe for any Rights Units unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.**

If it is practicable to do so, the Manager may, in its absolute discretion, arrange for Rights Entitlements which would otherwise have been allotted to Ineligible Unitholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account all expenses to be incurred in relation thereto.

Where such Rights Entitlements are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Manager, may, in its absolute discretion, decide and no Ineligible Unitholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Manager, the Trustee, the Joint Global Co-ordinators and Bookrunners, CDP or their respective officers in respect of such sales or the proceeds thereof, the Rights Entitlements or the Rights Units represented by such provisional allotments.

The net proceeds from all such sales, after deducting all expenses therefrom, will be pooled and thereafter distributed to Ineligible Unitholders in proportion to their respective unitholdings as at the Rights Issue Books Closure Date and sent to them in the form of a demand draft at their own risk by ordinary post, without interest or any share of revenue or other benefit arising therefrom, provided that where the amount of net proceeds to be distributed to any single Ineligible Unitholder is less than S\$10.00 equivalent (computed based on the prevailing exchange rate that CDP could obtain at the time of distribution), the Manager shall be entitled to retain or deal with such net proceeds as the Manager may, in its absolute discretion, deem fit for the sole benefit of CEREIT and no Ineligible Unitholder shall have any claim whatsoever against the Manager, the Trustee, the Joint Global Co-ordinators and Bookrunners or CDP in connection herewith.

If such Rights Entitlements cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the Rights Entitlements, the Rights Units represented by such Rights Entitlements will be issued to satisfy applications for Excess Rights Units or dealt with in such manner as the Manager may, in its absolute discretion, deem fit in the interest CEREIT and no Ineligible Unitholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Manager, the Trustee, the Joint Global Co-ordinators and Bookrunners, CDP and their respective officers in connection therewith.

Unitholders should note that the special arrangement described above will apply only to Ineligible Unitholders.

## OFFERING, SELLING AND TRANSFER RESTRICTIONS

### GENERAL

Investors are advised to consult their legal counsel prior to making any offer, sale, resale, pledge or other transfer of the Rights Entitlements and the Rights Units. No action has been taken or will be taken to permit a public offering of the Rights Units or the Rights Entitlements to occur in any jurisdiction, or the possession, circulation, or distribution of this Offer Information Statement, its accompanying documents or any other material relating CEREIF, the Rights Units or the Rights Entitlements in any jurisdiction where action for such purpose is required, except that this Offer Information Statement has been lodged with the Authority. Accordingly, the Rights Units or the Rights Entitlements may not be offered or sold, directly or indirectly, and none of this Offer Information Statement, its accompanying documents or any offering materials or advertisements in connection with the Rights Units or the Rights Entitlements may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction and the Manager and the Trustee expressly reserve the right to determine in their sole discretion whether to comply with any such applicable rules and regulations for the Rights Units to be offered and sold in such country or jurisdiction. Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Units, applying for Excess Rights Units or making any offer, sale, resale, pledge or other transfer of the Rights Units or the Rights Entitlements.

**This Offer Information Statement and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.**

### FOR INVESTORS IN THE UNITED STATES

The Rights Units and the Rights Entitlements have not been, and will not be, registered under the Securities Act or under any securities laws of any state or other jurisdiction of the US and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered (as applicable), directly or indirectly, within the US except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S. Neither receipt of this Offer Information Statement nor any of its accompanying documents constitutes an offer of the Rights Units or the Rights Entitlements to any Unitholder other than the Unitholder which has received this Offer Information Statement and its accompanying documents directly from the Manager.

**The Rights Units and the Rights Entitlements have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the US or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Units or the Rights Entitlements or the accuracy or adequacy of this Offer Information Statement. Any representation to the contrary is a criminal offence in the US.**

The Rights Units or the Rights Entitlements may only be acquired by persons in the US who are Eligible QIBs pursuant to an exemption from the registration requirements of the Securities Act or in a transaction not subject to the registration requirements of the Securities Act. The Rights Units and the Rights Entitlements are being offered and sold outside the US in offshore transactions as defined in and in reliance on Regulation S under the Securities Act. Further, if you are in the US, you may not exercise any Rights Entitlements and/or acquire any Rights Units offered hereby unless you are an Eligible QIB and have been invited to participate directly by the Manager. In addition, in order to exercise your Rights Entitlements and/or acquire any Rights Units offered hereby, you must have completed, duly executed and delivered to the Manager (with a copy

thereof to your Depository Agent (as defined herein), financial intermediary or nominee) prior to 12 December 2018 an Investor Representation Letter (which the Manager must have accepted), in the form attached as **Appendix E** of this Offer Information Statement.

Each person in the US who accepts delivery of a copy of this Offer Information Statement shall be deemed to represent, warrant and agree that it is an Eligible QIB and have made each acknowledgement, representation, warranty and agreement in the Investor Representation Letter (the form of which is attached hereto as **Appendix E** of this Offer Information Statement). Any person in the U.S. who obtains a copy of this Offer Information Statement and who is not an Eligible QIB must disregard the contents of this Offer Information Statement.

Any application which is post-marked from the US will not be accepted unless the Manager has received and accepted a duly executed Investor Representation Letter in the form attached as **Appendix E** of this Offer Information Statement. Similarly, any application in which the exercising holder or subscribing applicant requests Rights Units to be credited to a Securities Account and gives an address in the US will not be accepted. Any payment made in respect of any acceptance and/or purchase of Rights Units or Rights Entitlements that does not meet the foregoing criteria will be returned without interest.

Any person in the US who obtains a copy of this Offer Information Statement or its accompanying documents and who has not been specifically invited by the Manager to participate or who is not an Eligible QIB is required to disregard it.

In addition, until 40 days after the commencement of the Rights Issue, an offer or sale of the Rights Units within the US by any dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the Securities Act if such offer or sale is made other than in accordance with an available exemption from registration.

### **US Transfer Restrictions**

The offering and delivery of the Rights Entitlements to, and the offering and acquisition of the Rights Entitlements or the Rights Units in the US to and by certain persons reasonably believed to be Eligible QIBs is being made pursuant to an exemption from the registration requirements of the Securities Act. None of the Rights Entitlements or the Rights Units have been, or will be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the US and, accordingly, the Rights Entitlements and the Rights Units may not be offered, sold, resold, allotted, taken up, exercised, pledged, or otherwise transferred or delivered (as applicable) except in offshore transactions in accordance with Regulation S and in the US in private transactions pursuant to an applicable exemption from or in a transaction not subject to the registration requirements of the Securities Act. Accordingly, the Rights Units will be “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act and subject to transfer restrictions as further described in “*Risk factors – Risks Associated with the Rights Issue – Resales of the Rights Units and the Rights Entitlements in the U.S. are subject to restrictions*” and the Investor Representation Letter in the form attached hereto as **Appendix E** of this Offer Information Statement.

### **Procedures for exercising and/or accepting the provisional allotments of Rights Entitlements by Eligible QIBs in the United States**

If you are an Eligible QIB:

1. you may receive this Offer Information Statement and its accompanying documents from the Manager by completing and delivering to the Manager prior to 12 December 2018 a duly executed Investor Representation Letter in the form attached hereto as **Appendix E** of this Offer Information Statement;

2. you may exercise your Rights Entitlements, subscribe for Rights Units and apply for excess Rights Units instructing your Depository Agent, financial intermediary or nominee that you have been invited by the Manager to participate in this Rights Issue, and that the Depository Agent, financial intermediary or nominee should contact the Manager if such Depository Agent, financial intermediary or nominee wishes to confirm you have been invited to participate; and
3. in order to participate in the Rights Issue, you must forward to your Depository Agent, financial intermediary or nominee a copy of the properly completed and executed Investor Representation Letter you have previously delivered to the Manager prior to 12 December 2018 or at the time of such instruction to your Depository Agent, financial intermediary or nominee, as the case may be.

The Manager and its receiving agent have the discretion to refuse any application under the Rights Issue or other request to accept and/or exercise the Rights Entitlements, subscribe for Rights Units or apply for excess Rights Units that is incomplete, unexecuted or not accompanied by any required documentation or that otherwise does not comply with the terms and conditions of the Rights Issue, including the receipt and acceptance by the Manager of an executed Investor Representation Letter in the form attached hereto as **Appendix E** of this Offer Information Statement.

#### **FOR INVESTORS OUTSIDE THE UNITED STATES**

Each purchaser of the Rights Entitlements and/or the Rights Units will be deemed to have represented and agreed as follows (terms defined in Regulation S have the same meanings when used herein):

- (a) the purchaser (i) is, and the person, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Units is, outside the United States; and (ii) is acquiring the Rights Entitlements and/or the Rights Units in an offshore transaction meeting the requirements of Regulation S;
- (b) the purchaser is aware that the Rights Entitlements and/or the Rights Units have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S; and
- (c) the purchaser acknowledges that the Manager and the Joint Global Co-ordinators and Bookrunners of the Rights Issue, their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

The Manager reserves the right, but shall not be obliged, to treat as invalid any application or purported application, or decline to register such application or purported application which (i) appears to the Manager or its agents to have been executed in any jurisdiction outside Singapore or which the Manager believes may violate any applicable legislation of such jurisdiction, or (ii) purports to exclude any deemed representation or warranty. Notwithstanding the foregoing paragraphs, the Manager may in its sole discretion determine whether to allow the participation in the Rights Issue by Unitholders who are located, resident or with a registered address in other jurisdictions outside of Singapore, subject to and in compliance with the applicable securities and other laws of the relevant jurisdictions.

The Manager and the Joint Global Co-ordinators and Bookrunners have not taken any action, nor will the Manager and Joint Global Co-ordinators and Bookrunners take any action, in any jurisdiction other than Singapore that would permit a public offering of the Rights Entitlements and Rights Units, or the possession, circulation or distribution of this Offer Information Statement or

any other material relating CEREIF, the Manager, the Rights Entitlements or the Rights Units in any jurisdiction other than Singapore where action for that purpose is required.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Unitholders or any other persons having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and to observe such prohibitions and restrictions. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Units unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

## **DISTRIBUTION AND SELLING RESTRICTIONS**

None of the Manager or the Joint Global Co-ordinators and Bookrunners have taken any action, or will take any action, in any jurisdiction other than Singapore that would permit a public offering of Units, or the possession, circulation or distribution of this Offer Information Statement or any other material relating to the Rights Issue in any jurisdiction other than Singapore where action for that purpose is required.

Accordingly, each purchaser and/or transferee of the Rights Units and/or Rights Entitlements may not offer or sell, directly or indirectly, any Rights Units and/or Rights Entitlements and may not distribute or publish this Offer Information Statement or any other offering material or advertisements in connection with the Rights Issue and/or the Units in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction. Each purchaser and/or transferee of the Rights Units and/or Rights Entitlements is deemed to have represented and agreed that it will comply with the selling restrictions set out below for each of the following jurisdictions:

### **Selling Restrictions**

#### ***Australia***

This document and the offer is only made available in Australia to persons to whom a disclosure document is not required to be given under Chapter 6D or Chapter 7.9 of the Australian Corporations Act 2001 (Cth) (the “**Australian Corporations Act**”). This document is not a prospectus, product disclosure statement or any other form of formal “disclosure document” for the purposes of the Australian Corporations Act, and is not required to, and does not, contain all the information which would be required in a disclosure document under the Australian Corporations Act. If you are in Australia, this document is made available to you provided you are a person to whom an offer of securities or financial products can be made without a disclosure document such as a professional investor, sophisticated investor or wholesale client for the purposes of Chapter 6D or Chapter 7.9 of the Australian Corporations Act.

This document has not been and will not be lodged or registered with the Australian Securities and Investments Commission or ASX or any other regulatory body or agency in Australia. The persons referred to in this document may not hold Australian financial services licences and may not be licensed to provide financial product advice in relation to the securities. No “cooling-off” regime will apply to an acquisition of any interest in the CEREIF.

This document does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making any investment decision in relation to this document, you should assess whether the acquisition of any interest in CEREIT is appropriate in light of your own financial circumstances or seek professional advice.

If you acquire the Rights Units and/or Rights Entitlements in Australia then you:

- (a) represent and warrant that you are a professional or sophisticated investor;
- (b) represent and warrant that you are a wholesale client; and
- (c) agree not to sell, transfer, assign, offer, or otherwise alienate any Rights Entitlements or Rights Units to any person located in, or a resident of, Australia within 12 months from the date of their allotment, or as the case may be, issue under the Rights Issue, except in circumstances where:
  - (i) disclosure to investors would not be required under either Chapter 6D or Chapter 7.9 of the Corporations Act; or
  - (ii) such sale or offer is made pursuant to a disclosure document which complies with either Chapter 6D or Chapter 7.9 of the Corporations Act.

### ***Hong Kong***

No Rights Units or Rights Entitlements may be offered or sold in Hong Kong by means of this Offer Information Statement or any other document, other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMPO)**”) or which do not constitute an offer to the public within the meaning of (the “**C(WUMPO)**”). No person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Rights Units or Rights Entitlements, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Rights Units or Rights Entitlements which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

The contents of this Offer Information Statement have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

### ***Japan***

The Rights Entitlements or Units have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the “**FIEA**”). Accordingly, the Rights Entitlements or Units are not being offered or sold, directly or indirectly, in Japan or to, or for the account of or benefit of, any resident of Japan (as defined below), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the account of or benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan. Any resident of Japan who has been allotted the Rights Entitlements may not exercise such Rights Entitlements into Units. In this section, “Resident of Japan” means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

## **Switzerland**

**This Offer Information Statement may only be freely circulated and the interests in CEREIT may only be freely offered, distributed or sold to regulated financial intermediaries such as banks, securities dealers, fund management companies, asset managers of collective investment schemes and central banks as well as to regulated insurance companies.**

Circulating this Offer Information Statement and offering, distributing or selling interests in CEREIT exclusively to qualified investors as defined in the Federal Act on Collective Investment Schemes (“**CISA**”) and its implementing Ordinance (“**CISO**”) may trigger, in particular, (i) licensing/prudential supervision requirements for the distributor, (ii) a requirement of CEREIT to appoint a representative and paying agent in Switzerland and (iii) the necessity of a written distribution agreement between the representative in Switzerland and the distributor. Accordingly, legal advice should be sought before providing this memorandum to and offering, distributing or selling interests in CEREIT to any other persons or entities, including qualified investors. This Offer Information Statement does not constitute an issuance prospectus pursuant to Articles 652a or 1156 of the Swiss Code of Obligations and may not comply with the information standards required thereunder.

The Units will not be listed on the SIX Swiss Exchange, and consequently, the information presented in this Offer Information Statement does not necessarily comply with the information standards set out in the relevant listing rules. The documentation of CEREIT has not been and will not be approved, and may not be able to be approved, by the Swiss Financial Market Supervisory Authority FINMA under CISA. Therefore, investors do not benefit from protection under CISA or supervision by FINMA. This Offer Information Statement does not constitute investment advice. It may only be used by those persons to whom it has been handed out in connection with the interests and may neither be copied or directly/indirectly distributed or made available to other persons.

## **European Economic Area**

For the purposes of marketing (as defined in the AIFMD) units in the trust (as an alternative investment fund for the purposes of the AIFMD) to investors domiciled in or with a registered office in a jurisdiction which is in the European Economic Area (“**EEA**”), the Manager (as an alternative investment fund manager for the purposes of the AIFMD) intends to rely on such jurisdiction’s national private placement regime for the purposes of marketing alternative investment funds as implemented in such jurisdiction pursuant to Article 42 of the AIFMD. The Manager maintains a list, which is available on request, of the EEA jurisdictions in which it is permitted to market units to investors (the “**Permitted EEA Jurisdictions**”). Applicants in Permitted EEA Jurisdictions who wish to invest in the trust must qualify as a ‘professional investor’ under the AIFMD and the implementing national legislation in the investor’s Permitted EEA Jurisdiction.

## **CERTAIN DEFINED TERMS AND CONVENTIONS**

CEREIT publishes its financial statements in Euros. In this Offer Information Statement, references to “€”, “Euro” or “Euro cents” are to the lawful currency of the European Union (the “EU”), references to “A\$” are to the lawful currency of Australia and references to “S\$”, “Singapore dollar” or “Singapore cent” are to the lawful currency of the Republic of Singapore. All references to dates and times are to Singapore dates and times.

Certain monetary amounts set out in this Offer Information Statement have been subject to rounding adjustments. Accordingly, figures shown as totals in tables may not be an arithmetic aggregation of the figures that precede them.

Capitalised terms used in this Offer Information Statement shall have the meanings set out in the Glossary on pages 83 to 96 of this Offer Information Statement.

This Offer Information Statement contains conversions of Euro amounts into Singapore dollar. Unless otherwise indicated, Euro amounts in this Offer Information Statement have been translated into Singapore dollar, based on the exchange rate of €1.00 = S\$1.5727. None of the foreign currency conversion rates used to present or derive information in this Offer Information Statement should be construed as representations that Euro amounts have been, would have been or could be converted into Singapore dollar at those rates or any other rate, at any particular rate or at all.

References of “Appendix” or “Appendices” are to the appendices set out in this Offer Information Statement.

## CORPORATE INFORMATION

<b>Directors of the Manager</b>	:	Mr Lim Swe Guan (Chairman and Independent Non-Executive Director) Ms Fang Ai Lian (Independent Non-Executive Director and Chairman of the Audit and Risk Committee) Mr Christian Delaire (Independent Non-Executive Director and Chairman of the Nominating and Remuneration Committee) Mr Paul Weightman (Non-Independent Non-Executive Director) Mr Simon Garing (Executive Director and Chief Executive Officer)
<b>Registered office of the Manager</b>	:	50 Collyer Quay #07-02 OUE Bayfront Singapore 049321
<b>Trustee of CEREIT</b>	:	Perpetual (Asia) Limited (in its capacity as trustee of CEREIT) 8 Marina Boulevard #05-02 Marina Bay Financial Centre Singapore 018981
<b>Joint Global Co-ordinators and Bookrunners</b>	:	UBS AG, Singapore Branch One Raffles Quay #50-01 North Tower Singapore 048583  DBS Bank Ltd. 12 Marina Boulevard, Level 46 Marina Bay Financial Centre Tower 3 Singapore 018982  Morgan Stanley Asia (Singapore) Pte. Capital Square #16-01 23 Church Street Singapore 049481  Daiwa Capital Markets Singapore Limited 7 Straits View Marina One East Tower #16-05 Singapore 018936
<b>Legal Adviser for the Rights Issue and to the Manager</b>	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
<b>Legal Adviser to the Joint Global Co-ordinators and Bookrunners</b>	:	Allen & Overy LLP 50 Collyer Quay #09-01 OUE Bayfront Singapore 049321

- Legal Adviser to the Trustee** : Dentons Rodyk & Davidson LLP  
80 Raffles Place #33-00  
UOB Plaza 1  
Singapore 048624
- Unit Registrar and Unit Transfer Office** : Boardroom Corporate & Advisory Services Pte. Ltd.  
50 Raffles Place #32-01  
Singapore Land Tower  
Singapore 048623
- Independent Valuers** : Cushman & Wakefield Debenham Tie Leung Limited (“**C&W**”)  
(appointed by the Trustee)  
125 Old Broad Street  
London EC2N 1AR  
United Kingdom
- Colliers International Valuation UK LLP (“**Colliers**”)  
(appointed by the Manager)  
50 George Street  
London W1U 7GA  
United Kingdom

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## SUMMARY

*The following summary is qualified in its entirety by, and is subject to, the more detailed information contained or referred to elsewhere in this Offer Information Statement. Meanings of defined terms may be found in the section entitled “Glossary” of this Offer Information Statement.*

### 1. Overview of CEREIT

CEREIT is the first Singapore real estate investment trust with a diversified Pan-European portfolio, established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets in Europe that are used primarily for office, logistics/light industrial and retail purposes<sup>1</sup>, as well as real estate-related assets in connection with the foregoing. CEREIT was listed on 30 November 2017, with trading of Units commencing on 30 November 2017.

As at 19 November 2018, being the latest practicable date prior to the lodgement of the Offer Information Statement (the “**Latest Practicable Date**”), CEREIT’s existing portfolio (the “**Existing Portfolio**”) comprises 75 properties located in Denmark, France, Germany, Italy and the Netherlands with an aggregate net lettable floor area (“**LFA**”) of approximately 1.2 million square metres (“**sq m**”) and valuation of approximately €1.39 billion (approximately S\$2.19 billion)<sup>2</sup>.

CEREIT is managed by Cromwell EREIT Management Pte. Ltd., a wholly-owned subsidiary of Cromwell Property Group, being the sponsor of CEREIT (the “**Sponsor**”). The Sponsor is a global real estate owner and investment manager listed in its current form on the Australian Securities Exchange Ltd (“**ASX**”) since 2006. The Sponsor is a stapled group comprising Cromwell Corporation Limited (“**CCL**”) and Cromwell Diversified Property Trust (“**CDPT**”) (the responsible entity of which is Cromwell Property Securities Limited (“**CPSL**”). Shares in CCL are stapled to units in CDPT, creating a stapled security. Headquartered in Brisbane, Australia, the Sponsor and its subsidiaries (the “**Sponsor Group**”) has a direct property investment portfolio in Australia valued at approximately A\$2.5 billion and total assets under management of approximately A\$11.5 billion across Australia, New Zealand and Europe as at 30 June 2018.

### 2. Recently Announced Acquisitions

CEREIT had on 27 June 2018 completed the acquisition of the property located at 13 Via Jervis, Ivrea, Italy (“**Ivrea Asset**”) (see announcement titled “Completion of Acquisition of 13 Via Jervis, Ivrea, Italy”). The Manager had on 30 October 2018 announced the proposed acquisition of the following properties located in: (i) Corso Lungomare Trieste N.23, Bari, Italy, (the “**Bari Asset**”), (ii) Via Camillo Finocchiaro Aprile N.1, Genova, Italy<sup>3</sup> (the “**Genova Asset**”), (iii) 54 Avenue de Savigny, Aulnay-sous-bois, France, (iv) 46-48 boulevard Dequevauvilliers, Gennevilliers, France, (v) 105 Route d’Orléans, Sully-sur-Loire, France,

- 
- 1 “**Office**” properties refer to real estate that are predominantly used for office purposes, whether in existence by themselves as a whole or as part of larger mixed-use developments, “**logistics/light industrial**” properties refer to real estate that are predominantly used for light industrial, warehouse, and logistics purposes, the majority of which may have an attached office component, and “**retail**” properties refer to real estate that are predominantly used for retail purposes.
  - 2 As at 31 March 2018 for the Existing Portfolio (excluding 13 Via Jervis, Ivrea, Italy) and as at 1 April 2018 for the Ivrea Asset.
  - 3 In relation to properties listed in paragraphs (i) and (ii), completion of the acquisition is expected to occur in early December 2018.

(vi) ZI du Papillon, Parçay-Meslay, France, and (vii) Rue Charles Nicolle, Villeneuve-lès-Béziers, France<sup>1</sup> (see announcement titled “Announcement – (1) Acquisition of a Portfolio of 16 Office Assets in Netherlands, Finland, and Poland; (2) Acquisition of Two Office Assets in Italy; and (3) Binding Offer to Acquire Four Logistics Assets and Option to Acquire One Retail Big Box in France”) (together with the acquisition of the property located at 13 Via Jervis, Ivrea, Italy, the “**Recently Announced Acquisitions**”).

The aggregate purchase consideration of the Recently Announced Acquisitions is €88.7 million (approximately S\$139.5 million) (comprising €16.9 million for 13 Via Jervis, Ivrea<sup>2</sup>, €12.3 million for Corso Lungomare Trieste N.23, Bari, €25.2 million for Via Camillo Finocchiaro Aprile N.1, Genova, €6.1 million for 54 Avenue de Savigny, Aulnay-sous-Bois, €6.8 million for 46-48 Boulevard Dequevauvilliers, Gennevilliers, €5.4 million for 105 Route d’Orléans, Sully-sur-Loire, €5.5 million for ZI du Papillon, Parçay-Meslay and €10.5 million for Rue Charles Nicolle, Villeneuve-lès-Béziers).

### 3. The Proposed Acquisition

On 30 October 2018, the Manager announced the proposed acquisition of 16 properties located in the Netherlands, Finland and Poland (the “**New Properties**”) for an aggregate purchase price of approximately €312.5 million (approximately S\$491.5 million) (the “**Property Purchase Price**” and the proposed acquisition of the New Properties, the “**Proposed Acquisition**”). The Property Purchase Price is the agreed aggregate purchase price for the New Properties negotiated on a willing-buyer and willing-seller basis taking into account the independent valuations conducted by the Independent Valuers (as defined herein).

In connection with the Proposed Acquisition, CEREIT, through Cromwell SG SPV 3 Pte. Ltd. (the “**CEREIT SPV**”), entered into a master share and asset sale and purchase agreement dated 30 October 2018 (the “**Master Purchase Agreement**” or “**MPA**”) with the various vendors (the “**Vendors**”) <sup>3</sup> of the New Properties (in the case of an asset sale) or the companies which directly or indirectly hold the New Properties (in the case of a share sale).

The purchase consideration payable under the Master Purchase Agreement (the “**Proposed Acquisition Purchase Consideration**”) is approximately €308.8 million (approximately S\$485.7 million) and is based on the Property Purchase Price of €312.5 million (approximately S\$491.5 million), adjusted for certain estimated net liabilities of the Target Companies<sup>4</sup> (subject to further adjustments based on the actual consolidated net assets and liabilities of the Target Companies at completion of the Proposed Acquisition)<sup>5</sup>.

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1 In relation to properties listed in (iii) to (vii), the vendor has accepted a binding offer made by CEREIT but the proposed acquisition is still subject to legally binding sale and purchase agreement to be entered into by CEREIT and the vendor.

2 There will be an earn-out amount plus applicable taxes (“**Earn-out Amount**”) payable by CEREIT to the vendor in cash for the purchase of the Ivrea Asset. The whole or part of the Earn-out Amount, capped at €652,000, would only be payable if CEREIT is contractually entitled to receive rental income from the incumbent tenant over a period of up to six years immediately following the expiry of the current term of the relevant lease (being 30 April 2023), whether as a result of renewal or extension of the existing lease or events which have a similar economic effect as a renewal or extension of the lease.

3 The Vendors are ELQ Holdings (Del) LLC, ELQ Investors VI Ltd, ELQ Omega UK Ltd, Sivipre Oy, Henry Investment Oy, Artemis Acquisition Poland S.a r.l, Hummingbird B.V..

4 “**Target Companies**” refers to the companies which directly or indirectly hold the New Properties that will be acquired by CEREIT in the case of a share acquisition. See “Glossary” for the list of companies.

5 The adjustments for net assets and liabilities are necessary for the New Properties that will be acquired by CEREIT through a share acquisition.

The portfolio of New Properties comprises a total of 16 predominantly office properties with two properties in the Netherlands (with an aggregate purchase price of approximately €127.6 million (approximately S\$200.6 million)), 11 properties in Finland (with an aggregate purchase price of approximately €113.1 million (approximately S\$177.9 million)), and three properties in Poland (with an aggregate purchase price of approximately €71.9 million (approximately S\$113.0 million)). The New Properties have an aggregate LFA of approximately 150,235 sq m. All 16 New Properties are sited on freehold or freehold-equivalent land<sup>1</sup>.

The New Properties are geographically diverse and situated in dynamic cities such as:

- (i) Utrecht (part of the Randstad and 4th largest city in the Netherlands);
- (ii) 's-Hertogenbosch (capital city of the province of North Brabant, colloquially known as Den Bosch, in the Netherlands) which continues to benefit from urbanisation trends;
- (iii) Helsinki (capital city of Finland);
- (iv) Kuopio (rapidly growing regional hub and university city in Finland);
- (v) Warsaw (capital city of Poland); and
- (vi) Gdansk (capital city of the Pomerania region and 3rd largest urban area in Poland).

The New Properties benefit from very good accessibility to major transport infrastructure including the A2 highway, Utrecht Central Station, being the busiest train station in the Netherlands and 's-Hertogenbosch Central Station in the Netherlands, Helsinki Airport, the largest airport in Finland catering to approximately 83.0% of the domestic and almost all of the international air traffic, having the shortest connecting flights to Asia of all European airports, the Ring Road III, being the most important road network in the Helsinki Metropolitan Area, and urban city centre train stations in Finland; the Trasa Łazienkowska freeway, the Wisłostrada freeway, the Central Railway Station, Chopin Airport, the Gdansk Lech Walesa Airport and the Amber Highway in Poland. The table below sets out certain details on the New Properties. CEREIT will upon completion of the Proposed Acquisition own 100% of all the New Properties. The valuations by the Independent Valuers in the table below have been rounded to one decimal place.

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<sup>1</sup> All New Properties are on freehold land except for Moeder Teresalaan 100-200 in Utrecht, which is on a leasehold land that is acquired in perpetuity. Leasehold acquired in perpetuity means a leasehold for an indefinite period of time and the ground rent has been paid off perpetually.

No.	Property	Land Tenure	LFA (sq m) <sup>(1)</sup>	Valuation by C&W (€ m) <sup>(2)</sup>	Valuation by Colliers (€ m) <sup>(2)</sup>	Purchase Price (€ m)	WALE (years) <sup>(3)</sup>	Occupancy (%) <sup>(4)</sup>
<b>Netherlands</b>								
1.	Moeder Teresalaan 100-200, Utrecht	Leasehold plot acquired in perpetuity	21,922	50.1	51.5	50.7	6.3	86.1
2.	Willemsplein 2, 's-Hertogenbosch <sup>(5)*</sup>	Freehold	31,979	74.7	77.6	76.9	7.1	91.9
<b>Finland</b>								
3.	Plaza 2 Park (Plaza Vivace), Helsinki Metropolitan Area	Freehold	5,661	14.1	12.9	13.2	2.2	88.3
4.	Plaza 2 Park (Plaza Allegro), Helsinki Metropolitan Area	Freehold	4,620	11.4	10.8	11.2	1.8	91.7
5.	Plaza Forte, Helsinki Metropolitan Area	Freehold	6,054	13.8	12.9	12.6	2.0	86.9
6.	Grandinkulma, Helsinki Metropolitan Area	Freehold	6,189	12.5	12.8	12.5	3.5	98.4
7.	Liiketalo Myyrinraitti, Helsinki Metropolitan Area**	Freehold	7,515	12.2 <sup>(6)</sup>	12.0 <sup>(6)</sup>	12.0	4.9	94.1
8.	Pakkalan Kartanonkoski 3, Helsinki Metropolitan Area	Freehold	7,796	9.2	10.6	9.7	3.2	77.2
9.	Pakkalan Kartanonkoski 12, Helsinki Metropolitan Area	Freehold	3,425	6.7	6.4	6.1	1.6	100.0
10.	Purotie 1, Helsinki	Freehold	4,692	6.5	7.5	7.1	2.7	97.2
11.	Mäkitorpantie 3, Helsinki*	Freehold	4,367	7.6	7.8	7.6	3.4	85.6
12.	Opus 1, Helsinki	Freehold	6,821	15.4	15.7	13.5	7.2	77.1
13.	Kuopion Kauppakeskus, Kuopio*	Freehold	4,832	7.7	7.2	7.6	5.9	98.5
<b>Poland</b>								
14.	Riverside, Warsaw*	Freehold	12,478	31.9	30.5	31.3	4.6	72.9
15.	Grojecka 5, Warsaw*	Freehold	10,718	22.4	22.0	22.3	3.1	83.4
16.	Arkonska Business Park, Gdansk*	Freehold	11,166	18.4	19.0	18.2	3.4	46.7 <sup>(7)</sup>
<b>Total/Average</b>			<b>150,235</b>	<b>314.6<sup>(8)</sup></b>	<b>317.1<sup>(8)</sup></b>	<b>312.5</b>	<b>4.7</b>	<b>84.5</b>

**Notes:**

- (1) LFA as at 27 September 2018.
- (2) Valuation as at 27 September 2018.
- (3) "WALE" refers to the weighted average lease expiry by headline rent based on the final termination date of the agreement (assuming the tenant does not terminate the lease on any of the permissible break date(s), if applicable) as at 31 August 2018.
- (4) Occupancy rate as at 31 August 2018 (except for the property Willemsplein 2).
- (5) With respect to the property Willemsplein 2, the WALE and occupancy rate is as at 1 September 2018.

- (6) CEREIT will own 100% of the underlying land relating to Liiketalo Myyrinraitti and, through its ownership of 94% of the shares of Liiketalo Myyrinraitti Oy, own approximately 94% of the building in accordance with the articles of association of Liiketalo Myyrinraitti Oy, and the valuations as at 27 September 2018 are based on such ownership interest.
- (7) While the occupancy rate as at 31 August 2018 is only 46.7%, the committed occupancy rate is 69.1%.
- (8) Where certain tenants are currently benefitting from a tenant incentive, the Independent Valuers have assumed the full headline rent that the tenants are contractually obliged to pay is payable on the valuation date, that being 27 September 2018. The tenant incentives comprise a combination of rent free periods, stepped rental increases and/or tenant incentive contributions. In addition, where applicable, rental guarantees are also to be provided. The current vendors of these properties will “top up” the outstanding incentives and provide rental guarantees as part of the sale of the New Properties. Accordingly, such tenant incentive top-ups and rental guarantees have been taken into consideration in the valuation of the New Properties.

\*: Acquisition of property is via a direct asset acquisition.

\*\* : Acquisition of land is via a direct asset acquisition. Acquisition of building is via a company acquisition.

The estimated total cost of the Proposed Transaction (as defined herein) (the “**Total Cost of the Proposed Transaction**”) is approximately €329.7 million (approximately S\$518.5 million), comprising:

- (i) the Proposed Acquisition Purchase Consideration of approximately €308.8 million (approximately S\$485.7 million);
- (ii) the acquisition fee payable in Units to the Manager for the Proposed Acquisition pursuant to the trust deed dated 28 April 2017 (as amended and supplemented) constituting CEREIT (the “**Trust Deed**”), which amounts to approximately €3.1 million (approximately S\$4.9 million) (the “**Acquisition Fee**”) <sup>1</sup>. The issue price of the Acquisition Fee Units (as defined herein) shall be determined based on the theoretical ex-rights price (“**TERP**”) per Unit in relation to the Rights Issue. While Clause 15.2.1 of the Trust Deed allows the Manager to receive the Acquisition Fee Units at the Issue Price of €0.373, the Manager has elected to receive the Acquisition Fee Units at the TERP of €0.498 per Unit instead;
- (iii) real estate transfer tax of approximately €10.3 million (approximately S\$16.2 million) <sup>2</sup>; and
- (iv) the estimated professional and other fees and expenses incurred or to be incurred by CEREIT in connection with the Proposed Transaction of approximately €7.5 million (approximately S\$11.7 million).

The Trustee has commissioned an independent valuer, C&W, and the Manager has commissioned another independent valuer, Colliers (together with C&W, the “**Independent Valuers**”), to value the New Properties.

1 Although the Proposed Acquisition will not strictly constitute an “interested party transaction” under Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “**Property Funds Appendix**”) (an “**Interested Party Transaction**”) and/or an “interested person transaction” under Chapter 9 of the listing manual of the SGX-ST, as may be amended or modified from time to time (the “**Listing Manual**”) (an “**Interested Person Transaction**”) (a “**Related Party Transaction**”), for the purposes of good corporate governance, the Acquisition Fee will be in the form of Units (the “**Acquisition Fee Units**”) which shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix. The acquisition fee in respect of each of the New Properties is 1.0% of the Property Purchase Price of the New Properties, and will only be paid on completion of the Proposed Acquisition in accordance with the terms of the Master Purchase Agreement.

2 The real estate transfer tax of approximately €10.3 million (approximately S\$16.2 million) assumes that the acquisition of the Polish properties are not subject to real estate transfer tax. If real estate transfer tax is applicable to the Polish properties, the value of the real estate transfer tax will be approximately €1.4 million higher (approximately S\$2.3 million).

Based on the average of the Independent Valuers' annualised current Passing Rental Income<sup>1</sup> net of non-recoverable property expenses as estimated by the Independent Valuers, divided by the Property Purchase Price, the New Properties have a Net Initial Yield<sup>2</sup> of 6.2%, which compares favourably to the office assets within the Existing Portfolio, which have a Net Initial Yield of 5.6%. Additionally, the Reversionary Yield<sup>3</sup> of the New Properties (based on the average of the Independent Valuers' estimated market rental income per annum net of non-recoverable property expenses) is 7.4%, which is significantly higher than its Net Initial Yield.

At the extraordinary general meeting (“**EGM**”) of Unitholders held on 15 November 2018, the Manager obtained the approval of Unitholders in respect of the Proposed Acquisition.

(See the section entitled “Information Relating to the Proposed Acquisition” of this Offer Information Statement.)

#### 4. The Rights Issue

The Rights Issue comprises an offer of 600,834,459 Rights Units on a fully underwritten (excluding the number of Rights Units to be subscribed for pursuant to the Irrevocable Undertaking (as defined herein)) and renounceable basis to Eligible Unitholders based on the Rights Ratio of 38 Rights Units for every 100 existing units in CEREIT held as at the Rights Issue Books Closure Date (“**Existing Units**”) (fractional entitlements to be disregarded), at the Issue Price of €0.373 per Rights Unit, to raise gross proceeds of approximately €224.1 million (approximately S\$352.5 million).

The Rights Issue would provide Unitholders with the opportunity to subscribe for their *pro rata* entitlement to the Rights Units at the Issue Price, which is at a discount of:

- (i) approximately 31.6% to the closing price of €0.545 per Unit on the SGX-ST on 30 October 2018, being the last trading day of the Units prior to the announcement of the Rights Issue (“**Closing Price**”);
- (ii) approximately 25.0% to the TERP of €0.498 per Unit which is calculated as follows:

$$\text{TERP} = \frac{\text{Market capitalisation of CEREIT based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Units in issue immediately after the Rights Issue}^4}$$

; and

- (iii) approximately 26.0% to the pro forma NAV per Unit after completion of the Proposed Transactions and the Recently Announced Acquisitions of €0.50 per Unit as at 30 June 2018.

1 “**Passing Rental Income**” means the annualised rental income being received as at a certain date, excluding the net effects of amortisation of lease incentives. It is market practice to perform independent valuation based on passing rental income and this is in accordance with the valuation standards issued by Royal Institute of Chartered Surveyors, which is the valuation principles applied for European properties.

2 “**Net Initial Yield**” means the average of the Independent Valuers' annualised current Passing Rental Income net of non-recoverable property expenses, divided by the Property Purchase Price.

3 “**Reversionary Yield**” means the average of the Independent Valuers' estimated market rental income per annum net of non-recoverable property expenses, divided by the Property Purchase Price.

4 Comprising the Existing Units and the Rights Units.

For the avoidance of doubt, the Manager will not be relying on the general mandate that was deemed to have been obtained by the Manager from Unitholders by subscribing for the Units under the initial public offering of CEREIT.

## **5. Rationale for the Proposed Transaction**

The Manager intends to use the net proceeds from the Rights Issue to finance part of the Proposed Acquisition, the Recently Announced Acquisitions<sup>1</sup> and the associated costs.

The Rights Issue would provide Unitholders with the opportunity to subscribe for their *pro rata* entitlements to the Rights Units at the Issue Price which is at a discount of (i) approximately 31.6% to the Closing Price of €0.545 per Unit and (ii) approximately 25.0% to the TERP of €0.498 per Unit. Eligible Unitholders who do not wish to subscribe for the Rights Units may choose to sell their Rights Entitlements during the “nil-paid” rights trading period to realise the value of their Rights Entitlements.

The Manager believes that the Proposed Transaction will bring the following key benefits to CEREIT and its Unitholders:

### **(i) Consistent with the Manager’s Investment Strategy**

The Proposed Acquisition is well-aligned with CEREIT’s stated investment strategy and key objectives to provide sustainable, recurring and growing income and value to its Unitholders backed by a diversified European real estate portfolio.

### **(ii) Opportunity to Invest in Attractive European Office Markets of the Netherlands, Finland and Poland**

### **(iii) High Quality Portfolio Comprising Well-located and Predominantly Freehold Properties**

- (a) Strategically located with excellent connectivity
- (b) Increased proportion of freehold and perpetual leasehold assets in the Enlarged Portfolio<sup>2</sup>

### **(iv) Portfolio Positioned for Long-Term Sustainable Growth**

- (a) Rental upside as Reversionary Yield (based on market rental income) is significantly higher than Net Initial Yield
- (b) Leases are typically indexed to consumer price indices

### **(v) Increased Resilience from Size and Diversification of CEREIT’s Enlarged Portfolio**

- (a) Geographical diversification of the portfolio is now enhanced into seven countries
- (b) Increased tenant diversification and trade sector diversification
- (c) Reduced concentration risk in the top 10 tenants, with the Enlarged Portfolio resulting in decrease from 40.5% to 36.6%

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1 The proceeds set aside to fund the acquisition may be used to repay bridging loans taken up to fund such acquisitions.

2 “**Enlarged Portfolio**” refers to the Existing Portfolio and the New Properties, collectively.

**(vi) Acquisition of New Properties at Attractive Yields**

- (a) Attractive Net Initial Yield of 6.2% compared to Net Initial Yield of 5.6% for the existing office portfolio
- (b) Increased distributable income and DPU yield accretion to the unitholders

**(vii) Leveraging the Sponsor's Integrated European Asset Management Platform**

- (a) Sponsor's on the ground asset management team across the Netherlands, Finland and Poland is well-positioned to actively manage the assets to drive improved operating and financial performance for CEREIT
- (b) Strong track record of enhancing value through asset enhancement initiatives

**6. Rationale for the Italian Acquisition**

The Manager believes that the acquisition of the Bari Asset and the Genova Asset (the **"Italian Properties"** and the acquisition of the Italian Properties, the **"Italian Acquisition"**) will bring the following key benefits to the Unitholders:

**(i) Portfolio with Additional Cash Flow Visibility and Stability**

**(ii) Attractive Yield**

- (a) The Italian Properties have a Net Initial Yield<sup>1</sup> of 7.4%, which compares favourably to the Net Initial Yield of CEREIT's existing office portfolio of 5.6%.
- (b) The annual rental escalations are pegged to 75.0% of the Consumer Price Index, thus offering organic growth potential.

**7. Rationale for the French Acquisition**

The Manager believes that the acquisition of the French Properties which form part of the Recently Announced Acquisitions (the **"French Properties"** and the acquisition of the French Properties, the **"French Acquisition"**) will bring the following key benefits to the Unitholders:

**(i) Portfolio with Increased Exposure to Greater Paris**

**(ii) Attractive Yield**

The French Properties have a Net Initial Yield<sup>1</sup> of 8.5%, which compares favourably to the Net Initial Yield of CEREIT's existing light industrial and logistics portfolio of 7.1%.

**(iii) Asset Enhancement Potential**

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<sup>1</sup> **"Net Initial Yield"** in the context of the Italian Properties and the French Properties is defined as annualised current passing rental income net of non-recoverable property expenses, divided by aggregate purchase price.

## 8. Use of Proceeds

The Rights Issue is intended to raise gross proceeds of approximately €224.1 million with the net proceeds of the Rights Issue, being the gross proceeds of the Rights Issue less the estimated amount of Underwriting Commission (as defined herein) as well as the other fees and expenses (including professional fees and expenses) incurred in connection with the Rights Issue, estimated to be approximately €219.9 million.

For each Euro of the gross proceeds of approximately €224.1 million that will be raised from the Rights Issue, the Manager intends to allocate the proceeds from the Rights Issue in the following manner:

- (i) approximately 74.7 Euro cents (equivalent to approximately €167.5 million) will be used to partially fund the Total Cost of the Proposed Transaction (excluding expenses incurred in connection with the Rights Issue);
- (ii) approximately 23.4 Euro cents (equivalent to approximately €52.4 million) will be used to partially fund the total cost of the Recently Announced Acquisitions<sup>1</sup> of approximately €95.6 million (approximately S\$150.4 million) (the “**Total Cost of the Recently Announced Acquisitions**”) (excluding expenses incurred in connection with the Rights Issue); and
- (iii) approximately 1.9 Euro cents (equivalent to approximately €4.2 million) will be used to pay the estimated fees and expenses, incurred or to be incurred by CEREIT in connection with the Rights Issue.

Notwithstanding its current intention, in the event that the Rights Issue is completed but the Proposed Acquisition does not proceed for whatever reason, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Rights Issue at its absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness and for funding capital expenditures and/or other potential acquisitions.

Pending deployment, the net proceeds from the Rights Issue may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or be used to repay outstanding borrowings or 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 Rights Issue via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. The Manager will also provide a status report on the use of the net proceeds from the Rights Issue in the annual report of CEREIT. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

## 9. Underwriting of the Rights Issue

Save for the Rights Units which are the subject of the Irrevocable Undertaking, the Rights Issue is fully underwritten by the Joint Global Co-ordinators and Bookrunners, on the terms and conditions of the underwriting agreement entered into between the Manager and the Joint Global Co-ordinators and Bookrunners on 30 October 2018 (as amended) (the “**Underwriting Agreement**”).

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<sup>1</sup> The proceeds set aside to fund the acquisition may be used to repay bridging loans taken up to fund such acquisition.

Pursuant to the Underwriting Agreement, each of the Joint Global Co-ordinators and Bookrunners has agreed, subject to the terms and conditions of that agreement to use its reasonable endeavours to procure subscribers for, and failing which to subscribe for the Underwritten Rights Units<sup>1</sup> not taken up (but only to the extent that the number of Underwritten Rights Units not taken up exceeds the number of Rights Units which have been validly subscribed for pursuant to excess applications for the Rights Units) at the Issue Price.

The Underwritten Rights Units are severally underwritten by UBS AG, Singapore Branch, DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte. and Daiwa Capital Markets Singapore Limited in the proportion of 30.0% (representing approximately 116,599,794 Rights Units), 30.0% (representing approximately 116,599,793 Rights Units), 20.0% (representing approximately 77,733,196 Rights Units) and 20.0% (representing approximately 77,733,196 Rights Units) respectively.

The Joint Global Co-ordinators and Bookrunners will be entitled to a commission of 2.0% of the Issue Price multiplied by the total number of Underwritten Rights Units and an incentive fee, payable at the sole discretion of the Manager, of up to 0.5% of the Issue Price multiplied by the total number of Underwritten Rights Units (the “**Underwriting Commission**”).

It should be noted that the Underwriting Agreement may be terminated upon the occurrence of certain events, but the Joint Global Co-ordinators and Bookrunners are not entitled to rely on *force majeure* to terminate the Underwriting Agreement on or after the date on which ex-rights trading commences (being 21 November 2018) (in compliance with Rule 818 of the Listing Manual).

#### **10. The Payment of the GTCT Sub-Underwriting Commission**

In connection with the Rights Issue and the Underwriting Agreement, Tang Gordon @ Tang Yigang and Celine Tang @ Chen Huaidan, acting jointly and severally (the “**GTCT Sub-Underwriter**”) has entered into a sub-underwriting agreement (the “**GTCT Sub-Underwriting Agreement**”) with the Joint Global Co-ordinators and Bookrunners pursuant to which it has agreed, on the terms and conditions of the GTCT Sub-Underwriting Agreement, to the extent that, *inter alia*, valid applications and valid excess applications for the Rights Units have not been received in the Rights Issue such that the Joint Global Co-ordinators and Bookrunners are required to subscribe and pay for any Underwritten Rights Units pursuant to their underwriting obligations in the Underwriting Agreements, the GTCT Sub-Underwriter will subscribe and pay for:

- (a) 82,908,770 of the total number of Rights Units offered under the Rights Issue, representing the number of Rights Entitlements to which the GTCT Sub-Underwriter is entitled, and only to the extent which the GTCT Sub-Underwriter has not validly accepted, subscribed and paid for such Rights Entitlements in accordance with the terms of the Rights Issue (the “**GTCT Base Sub-Underwriting Units**”); and
- (b) 24,329,000 of the total number of Rights Units offered under the Rights Issue (the “**GTCT Additional Sub-Underwriting Units**”, and collectively with the GTCT Base Sub-Underwriting Units, the “**GTCT Sub-Underwriting Rights Units**”, and the subscription and payment for the GTCT Sub-Underwriting Rights Units by the GTCT Sub-Underwriter, the “**GTCT Sub-Underwriting Commitment**”).

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<sup>1</sup> “**Underwritten Rights Units**” means the total number of Rights Units excluding the Rights Units which are the subject of the Irrevocable Undertaking.

In consideration of the GTCT Sub-Underwriting Commitment, the Joint Global Co-ordinators and Bookrunners have agreed to pay to the GTCT Sub-Underwriters a sub-underwriting commission of 1.5% of the Issue Price multiplied by the total number of GTCT Additional Sub-Underwriting Rights Units (the “**GTCT Sub-Underwriting Commission**”) in respect of the GTCT Additional Sub-Underwriting Units. For the avoidance of doubt, no fees or commissions are payable in respect of the GTCT Base Sub-Underwriting Units.

As at the Latest Practicable Date, the GTCT Sub-Underwriter’s aggregate interest, direct and deemed, in the Unitholdings of CEREIT is approximately 13.8%.

#### **11. The Payment of the Hillsboro Sub-Underwriting Commission**

In connection with the Rights Issue and the Underwriting Agreement, Hillsboro Capital, Ltd. (the “**Hillsboro Sub-Underwriter**”) has entered into a sub-underwriting agreement (the “**Hillsboro Sub-Underwriting Agreement**”) with the Joint Global Co-ordinators and Bookrunners pursuant to which it has agreed, on the terms and conditions of the Hillsboro Sub-Underwriting Agreement, to the extent that, *inter alia*, valid applications and valid excess applications for the Rights Units have not been received in the Rights Issue such that the Joint Global Co-ordinators and Bookrunners are required to subscribe and pay for any Underwritten Rights Units pursuant to their underwriting obligations in the Underwriting Agreement, the Hillsboro Sub-Underwriter will subscribe and pay for:

- (a) 69,091,590 of the total number of Rights Units offered under the Rights Issue representing the number of Rights Entitlements to which the Hillsboro Sub-Underwriter is entitled, and only to the extent which the Hillsboro Sub-Underwriter has not validly accepted, subscribed and paid for such Rights Entitlements in accordance with the terms of the Rights Issue (the “**Hillsboro Base Sub-Underwriting Units**”); and
- (b) 69,091,000 of the total number of Rights Units offered under the Rights Issue (the “**Hillsboro Additional Sub-Underwriting Units**”, and collectively with the Hillsboro Base Sub-Underwriting Units, the “**Hillsboro Sub-Underwriting Rights Units**”, and the subscription and payment for the Hillsboro Sub-Underwriting Rights Units by the Hillsboro Sub-Underwriter, the “**Hillsboro Sub-Underwriting Commitment**”).

In consideration of the Hillsboro Sub-Underwriting Commitment, the Joint Global Co-ordinators and Bookrunners have agreed to pay to the Hillsboro Sub-Underwriter the sub-underwriting commission of 1.5% of the Issue Price multiplied by the total number of Hillsboro Additional Sub-Underwriting Rights Units (the “**Hillsboro Sub-Underwriting Commission**”) in respect of the Hillsboro Additional Sub-Underwriting Units. For the avoidance of doubt, no fees or commissions are payable in respect of the Hillsboro Base Sub-Underwriting Units.

As at the Latest Practicable Date, the Hillsboro Sub-Underwriter’s aggregate interest, direct and deemed, in the Unitholdings of CEREIT is approximately 11.5%.

## 12. Commitment by Cromwell Singapore Holdings Pte. Ltd.

To demonstrate its support for CEREIT and the Rights Issue, Cromwell Singapore Holdings Pte. Ltd. (“**CSHPL**”), which, together with its related corporations (the “**Relevant Entities**”), owns 558,338,114 Units representing approximately 35.3% of the voting rights of CEREIT as at the Latest Practicable Date, has on 30 October 2018 provided to the Manager and the Joint Global Co-ordinators and Bookrunners an irrevocable undertaking (the “**Irrevocable Undertaking**”) that, among other things:

- (a) subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), it will vote and/or procure that its related corporations vote (in respect of all Units beneficially owned by it or its related corporations) in favour of the resolution to approve the proposed issue of up to 600,834,459 Rights Units under the Rights Issue at the EGM and such other resolutions necessary or expedient for the purposes of the Rights Issue; and
- (b) it will accept and/or procure that its Relevant Entities, subscribe and pay in full for the Relevant Entities’ total provisional allotments of Rights Units.

CSHPL has voted in accordance with the commitment as set out in the Irrevocable Undertaking.

## 13. Status of the Rights Issue

CEREIT’s current policy is to distribute its distributable income on a semi-annual basis to Unitholders. The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the Units in issue as at the date of issue of the Rights Units.

Eligible Unitholders who validly accept, in full, their Rights Entitlements, will receive distributions in respect of the period from 1 July 2018 to 31 December 2018 to which they would have been entitled had the Rights Issue not occurred. Eligible Unitholders who decide not to accept in full their Rights Entitlements can, where applicable, make arrangements to trade their Rights Entitlements on the SGX-ST under the book-entry (scripless) settlement system.

For Ineligible Unitholders, the Manager may, at its absolute discretion and if it is practicable to do so, arrange for the Rights Entitlements which would otherwise have been provisionally allotted to Ineligible Unitholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. There is no guarantee that such sale will be successful, and even if successful, the proceeds of any such sale may not be sufficient to compensate him fully for the dilution of his Unitholding as a result of the Rights Issue.

(See the section entitled “Eligibility of Unitholders to Participate in the Rights Issue – Ineligible Unitholders” of this Offer Information Statement.)

## PRINCIPAL TERMS OF THE RIGHTS ISSUE

The following principal terms and conditions of the Rights Issue are derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and are qualified in their entirety by reference to information appearing elsewhere in this Offer Information Statement.

**Issue Size** : 600,834,459 Rights Units to raise gross proceeds of approximately €224.1 million and net proceeds of approximately €219.9 million.

**Basis of Provisional Allotments** : Each Eligible Unitholder is entitled to subscribe for 38 Rights Units for every 100 Units standing to the credit of his Securities Account as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded.

**Issue Price** : €0.373 for each Rights Unit<sup>1</sup>. The Rights Units are payable in full upon acceptance and/or application.

The Issue Price represents a discount of approximately 31.6% to the Closing Price and a discount of approximately 25.0% to the TERP of €0.498 per Unit.

**Administrative Fee** : An administrative fee will be incurred by applicants for each Electronic Application made through the ATMs of the Participating Banks.

**Status of Rights Units** : The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the Units in issue as at the date of issue of the Rights Units. Eligible Unitholders who validly accept, in full, their Rights Entitlements, will receive distributions in respect of the period from 1 July 2018 to 31 December 2018 to which they would have been entitled had the Rights Issue not occurred.

Eligible Unitholders who decide not to accept in full their Rights Entitlements can, where applicable, make arrangements to trade them on the SGX-ST under the book-entry (scripless) settlement system. The Manager may also, at its absolute discretion, make arrangements for the Rights Entitlements which would otherwise have been allotted to Ineligible Unitholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence.

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<sup>1</sup> For applications through ATMs of DBS (including POSB), the ATMs will show an issue price of S\$0.5904 for each Rights Unit (based on the exchange rate of approximately €1.00 = S\$1.5828), being the DBS Fixed FX Rate). Any refund monies for Eligible Unitholders who make Electronic Applications through ATMs of DBS (including POSB) will be credited in Singapore dollars based on the DBS Fixed FX Rate. For applications through ATMs of OCBC and UOB, the ATMs will show an issue price of €0.373 for each Rights Unit and applicants will pay the application monies in Singapore dollars based on the respective bank's prevailing board rate at the time of application.

Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto.

**Eligible Unitholders** : Eligible Unitholders comprise Eligible Depositors and Eligible QIBs.

“**Eligible Depositors**” are Unitholders with Units standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore.

“**Eligible QIBs**” are qualified institutional buyers (as defined in Rule 144A under the Securities Act) (a) whose identities have been agreed upon by the Manager and the Joint Global Co-ordinators and Bookrunners, (b) who have each provided the Manager with a signed investor representation letter (in the form attached to this Offer Information Statement as **Appendix E**), and (c) who are Eligible Depositors.

**Eligibility of Unitholders to participate in the Rights Issue** : See the section entitled “Eligibility of Unitholders to Participate in the Rights Issue” of this Offer Information Statement for further details.

**Rights Entitlements of Eligible Unitholders** : Eligible Unitholders will receive their Rights Entitlements and are at liberty to accept in part or in full, decline, renounce or trade on the SGX-ST (during the “nil-paid” rights trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for the Excess Rights Units from 9.00 a.m. on 28 November 2018 up to the Closing Date as set out in the section entitled “Timetable of Key Events” of this Offer Information Statement.

Eligible Unitholders who wish to renounce their Rights Entitlements in favour of a third party should note that CDP requires three Market Days to effect such renunciation. As such, Eligible Unitholders who wish to renounce are advised to do so early to allow sufficient time for the renounee to accept his Rights Entitlements and make payment for the Rights Units.

Each Eligible Unitholder may, among other things, choose to:

- (i) accept all or a portion of his Rights Entitlements;

(ii) renounce all or a portion of Rights Entitlements in favour of a third party; and/or

(iii) trade all or a portion of his Rights Entitlements.

In addition, each Eligible Unitholder may also apply for Excess Rights Units.

The procedures for acceptance, payment, renunciation and application for Rights Units and/or Excess Rights Units by Eligible Unitholders are set out in **Appendix B** and in **Appendix C** of this Offer Information Statement.

**Ineligible Unitholders** : No provisional allotments of Rights Units will be made to Ineligible Unitholders and no purported acceptance thereof or application for Excess Rights Units thereof by Ineligible Unitholders will be valid.

Ineligible Unitholders should refer to the section entitled “Eligibility of Unitholders to Participate in the Rights Issue – Ineligible Unitholders” of this Offer Information Statement.

**Trading of the Rights Units/Rights Entitlements** : Eligible Unitholders who wish to trade all or part of their Rights Entitlements on the SGX-ST can do so for the period commencing on 28 November 2018 from 9.00 a.m., being the date and time of commencement of the Rights Entitlements trading, and ending on 6 December 2018 at 5.00 p.m., being the last date and time of the Rights Entitlements trading.

The Rights Units and the Rights Entitlements will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. Eligible Unitholders who wish to trade all or part of their Rights Entitlements on the SGX-ST during the Rights Entitlements trading period should note that the Rights Entitlements will be tradable in either board lots of 1 Rights Entitlement or 100 Rights Entitlements. All dealings in and transactions (including transfers) of the Rights Units effected through the SGX-ST and/or CDP shall be made in accordance with the “Terms and Conditions for Operation of Securities Account with CDP”, as the same may be amended from time to time, copies of which are available from CDP. Eligible Unitholders can trade in odd lots of Units on the SGX-ST’s Unit Share Market<sup>1</sup>.

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<sup>1</sup> “Unit Share Market” refers to the ready market of the SGX-ST for trading of odd lots of Units with a minimum size of one Unit.

<b>Manner of Refund</b>	:	When any acceptance of Rights Entitlements and/or excess Rights Units application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within five business days after commencement of trading of the Rights Units by crediting their bank accounts with the relevant Participating Banks at the respective Participating Bank's Refund Foreign Exchange Rate at their own risk, the receipt by such bank being a good discharge of the Manager's and CDP's obligations. The different prevailing board rate at the time of application and at the time of refund of the application monies will result in either a foreign exchange profit or loss to such application monies.
<b>Trading of Odd Lots of Units</b>	:	Eligible Unitholders who hold odd lots of Units (that is, lots other than board lots of 100 Units) and who wish to trade in odd lots are able to trade odd lots of Units on the SGX-ST's Unit Share Market.
<b>Underwriting</b>	:	Save for the Rights Units to be subscribed for pursuant to the Irrevocable Undertaking, the Rights Issue is fully underwritten by the Joint Global Co-ordinators and Bookrunners on the terms and subject to the conditions of the Underwriting Agreement.  (See the sections entitled "Summary – Underwriting of the Rights Issue" for further details.)
<b>Sub-Underwriting</b>	:	In connection with the Rights Issue and the Underwriting Agreement, the GTCT Sub-Underwriter and the Hillsboro Sub-Underwriter has entered into the GTCT Sub-Underwriting Agreement and the Hillsboro Sub-Underwriting Agreement with the Joint Global Co-ordinators and Bookrunners respectively pursuant to which they have agreed, on the terms and conditions of their respective sub-underwriting agreements, to subscribe and pay for the GTCT Sub-Underwriting Rights Units and the Hillsboro Sub-Underwriting Rights Units respectively to the extent that, <i>inter alia</i> , valid applications and valid excess applications for the Rights Units have not been received in the Rights Issue such that the Joint Global Co-ordinators and Bookrunners are required to subscribe and pay for any Underwritten Rights Units pursuant to their underwriting obligations in the Underwriting Agreement.  (See the sections entitled "Summary – The Payment of the GTCT Sub-Underwriting Commission" and "Summary – The Payment of the Hillsboro Sub-Underwriting Commission" for further details.)

**Listing of the Rights Units** : Approval in-principle has been obtained from the SGX-ST on 30 October 2018 for the listing and quotation of the Rights Units on the Main Board of the SGX-ST subject to certain conditions being met.

The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Units, CEREIT and/or its subsidiaries.

**Unitholders who are SRS investors or who hold Units through a finance company and/or Depository Agent** : **SRS investors and investors who hold Units through a finance company and/or Depository Agent should see the section entitled “Important Notice to (A) SRS Investors and (B) Investors who Hold Units Through a Finance Company and/or Depository Agent” of this Offer Information Statement for important details.**

**Governing Law** : Laws of the Republic of Singapore.

**AS THE RIGHTS ISSUE IS MADE ON A RENOUNCEABLE BASIS, THE RIGHTS ENTITLEMENTS CAN BE RENOUNCED IN FAVOUR OF A THIRD PARTY OR, TRADED ON THE SGX-ST DURING THE RIGHTS ENTITLEMENTS TRADING PERIOD.**

## TIMETABLE OF KEY EVENTS

The timetable for the Rights Issue is set out below.

### **APPLICATIONS SHALL ONLY BE THROUGH AN ATM OF A PARTICIPATING BANK AND NOT THROUGH MAIL TO CDP**

<u>Event</u>	<u>Date and Time</u>
Last day of “cum-rights” trading for the Rights Issue	: 20 November 2018
First day of “ex-rights” trading for the Rights Issue	: 21 November 2018
Rights Issue Books Closure Date	: 23 November 2018 at 5.00 p.m.
Despatch of this Offer Information Statement (together with the Entitlement Letter) to Eligible Unitholders	: 28 November 2018
Commencement of trading of Rights Entitlements	: 28 November 2018 from 9.00 a.m.
Last date and time of trading of Rights Entitlements	: 6 December 2018 at 5.00 p.m.
<b>Closing Date:</b>	
Last date and time for acceptance of the Rights Entitlements and payment for Rights Units <sup>(1)(2)</sup>	: 12 December 2018 at 9.30 p.m.
Last date and time for application and payment for Excess Rights Units <sup>(1)(2)</sup>	: 12 December 2018 at 9.30 p.m.
Last date and time for acceptance of and payment by the renounee <sup>(1)(2)</sup>	: 12 December 2018 at 9.30 p.m. <sup>(3)</sup>
Expected date of the issuance of the Rights Units	: 20 December 2018
Expected date for crediting of Rights Units	: 21 December 2018
Expected date for commencement of trading of Rights Units on the SGX-ST	: 21 December 2018 from 9.00 a.m.
Expected date for refund of unsuccessful applications	: 21 December 2018

#### **Notes:**

- (1) This does not apply to SRS investors and investors who hold Units through a finance company and/or Depository Agent. SRS investors and investors who hold Units through a finance company and/or Depository Agent should see the section entitled “Important Notice to (A) SRS Investors and (B) Investors who hold Units through a Finance Company and/or Depository Agent” of this Offer Information Statement. **Any application made by these investors through ATMs of Participating Banks, the Unit Registrar and/or the Manager will be rejected.** Such investors, where applicable, will receive notification letter(s) from their respective agent bank, approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective agent bank, approved bank, finance company and/or Depository Agent.
- (2) Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays (excluding public holidays) between 7.00 a.m. and 9.30 p.m. **Please note that Electronic Applications through the ATMs of Participating Banks will not be available on 8 December 2018 due to a system migration.**
- (3) Eligible Unitholders who wish to renounce their Rights Entitlements in favour of a third party should note that CDP requires at least three Market Days to effect such renunciation. As such, Eligible Unitholders who wish to renounce their Rights Entitlements are advised to do so early to allow sufficient time for the renounee to accept his Rights Entitlements and make payment for Rights Units.

The above timetable is indicative only and subject to change. The Manager may, in consultation with the Joint Global Co-ordinators and Bookrunners and with the approval of the SGX-ST, modify the above timetable subject to any limitation under any applicable laws. In such an event, the

Manager will announce the same via the SGXNET. However, as at the date of this Offer Information Statement, the Manager does not expect the above timetable to be modified.

### **RESULTS OF THE ALLOTMENT**

The Manager will announce the results of the Rights Issue through an SGXNET announcement to be posted on the SGX-ST website at <http://www.sgx.com>.

### **CREDITING OF RIGHTS ENTITLEMENTS AND RIGHTS UNITS**

The Rights Entitlements will be provisionally allotted to Eligible Unitholders on or about 28 November 2018 by crediting the “nil-paid” rights to the Eligible Unitholders’ Securities Accounts. The Rights Units will be credited on or about 21 December 2018.

In the case of Eligible Unitholders and their renounees with valid acceptances, purchasers of the Rights Entitlements with valid acceptances and (where applicable) successful applications for Excess Rights Units, a notification letter representing such number of Rights Units will be sent by CDP within 10 Market Days after the Closing Date.

(Please refer to **Appendix B** for further details relating to the procedures for acceptance, payment, renunciation and application for Rights Units and/or Excess Rights Units by Eligible Unitholders.)

## OVERVIEW OF CEREIF

### BACKGROUND OF CEREIF

CEREIT is the first Singapore REIT with a diversified Pan-European portfolio, established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets in Europe that are used primarily for office, logistics/light industrial and retail purposes<sup>1</sup>, as well as real estate-related assets in connection with the foregoing. CEREIF was listed on 30 November 2017, with trading of Units commencing on 30 November 2017.

As at the Latest Practicable Date, CEREIF's Existing Portfolio comprises 75 properties located in Denmark, France, Germany, Italy and the Netherlands with an aggregate LFA of approximately 1.2 million sq m and valuation of approximately €1.39 billion<sup>2, 3</sup>.

CEREIT is managed by the Manager, a wholly-owned subsidiary of the Sponsor. The Sponsor is a global real estate owner and investment manager listed in its current form on the ASX since 2006. The Sponsor is a stapled group comprising CCL and CDPT (the responsible entity of which is CPSL). Shares in CCL are stapled to units CDPT, creating a stapled security. Headquartered in Brisbane, Australia, the Sponsor Group has a direct property investment portfolio in Australia valued at approximately A\$2.5 billion and total assets under management of approximately A\$11.5 billion across Australia, New Zealand and Europe as at 30 June 2018.

### GENERAL DEVELOPMENT OF CEREIF

The general development of the business of CEREIF from the Listing Date to the Latest Practicable Date, is set out below. Save as disclosed below, to the best of the Manager's knowledge and belief, there have been no material changes in the affairs of CEREIF since the release of CEREIF's financial results for the financial quarter ended 30 September 2018.

Date	Significant developments
30 November 2017	: CEREIF was listed on the Main Board of the SGX-ST.
19 February 2018	: The Manager announced the completion of acquisition of Firenze, a property located at Via della Fortezza no. 8, Florence, Tuscany, Italy.
6 April 2018	: The Manager announced that with effect from 9.00 a.m. on 16 April 2018, Units will commence trading on SGX-ST in Singapore dollars in addition to Euro.

1 "Office" properties refer to real estate that are predominantly used for office purposes, whether in existence by themselves as a whole or as part of larger mixed-use developments, "logistics/light industrial" properties refer to real estate that are predominantly used for light industrial, warehouse, and logistics purposes, the majority of which may have an attached office component, and "retail" properties refer to real estate that are predominantly used for retail purposes.

2 Based on the Unaudited Financial Statements.

3 As at 31 March 2018 for the Existing Portfolio (excluding 13 Via Jervis, Ivrea, Italy) and as at 1 April 2018 for the Ivrea Asset.

Date	Significant developments
24 April 2018	: The Manager announced that the Trustee has entered into a preliminary sale and purchase agreement dated 23 April 2018 with Savills Investment Management SGR P.A., acting as management company of C3 Investment Fund – FIA italiano immobiliare riservato istituito in forma chiusa, an alternative investment fund established in Italy with 100% of its units held by Cerberus SICAV-SIF (a third party corporate partnership limited by shares incorporated in Luxembourg), in relation to the acquisition of a property located at 13 Via Jervis, Ivrea, Italy for a purchase consideration of €16.9 million.
10 May 2018	: The Manager announced its unaudited financial statements for the financial period since listing from 30 November 2017 to 31 March 2018.
16 May 2018	: The Manager announced that CEREIT will be included in the MSCI Singapore Small Cap Index which will be effective after the end of the SGX-ST's full day trading hours on 31 May 2018.
6 June 2018	: The Manager announced the appointment of Ms Christina Tham as Head of Legal, Compliance and Company Secretarial.
18 June 2018	: The Manager announced that Mr Philip Levinson had given notice to the Board to resign as Executive Director and Chief Executive Officer of the Manager with effect from 31 August 2018.
27 June 2018	: The Manager announced the completion of acquisition of the property located at 13 Via Jervis, Ivrea, Italy.
2 July 2018	: The Manager announced that in relation to €12 million deferred consideration in respect of the Parc Des Docks asset located in Saint-Ouen, France, relating to the French administration's potential expropriation of part of the Parc Des Docks site in order to develop a hospital and medical university, the Trustee, Cromwell EREIT LUX 2 S.A.R.L (a wholly-owned subsidiary of CEREIT and the purchaser) and, <i>inter alia</i> , the vendors had entered into an agreement in connection with the deferred consideration arrangement under the sale and purchase agreement, pursuant to which it will pay a lump-sum amount of €6 million on 3 July 2018 in full and final settlement of all outstanding and future claims which any party to the sale and purchase agreement may have in relation to the deferred consideration.
13 August 2018	: The Manager announced its unaudited financial statements for the second quarter ended 30 June 2018 and the financial period from 30 November 2017 to 30 June 2018.
31 August 2018	: The Manager announced that Mr Philip Levinson's last day of service with the Manager as Executive Director and Chief Executive Officer will be on 2 September 2018 instead of 31 August 2018.
3 September 2018	: The Manager announced the appointment of Mr Simon Garing as Executive Director and Chief Executive Officer of the Manager.

<b>Date</b>	<b>Significant developments</b>
3 September 2018	: The Manager announced that Ms Elena Arabadjieva was promoted from Head of Investor Relations to Chief Operating Officer and Head of Investor Relations of the Manager.
25 October 2018	: The Manager announced that CEREIT was awarded the GRESB Sustainability Benchmark.
30 October 2018	: The Manager announced the Proposed Acquisition, the Recently Announced Acquisitions and the Rights Issue.
14 November 2018	: The Manager announced its unaudited financial statements for the third quarter ended 30 September 2018 and the financial period from 30 November 2017 to 30 September 2018.
15 November 2018	: The Manager obtained Unitholders' approval at the EGM for the Proposed Transaction.

### ***Latest Valuation***

The latest valuation of the 75 properties comprising the Existing Portfolio is approximately €1.39 billion<sup>1, 2</sup>.

### **The Manager of CEREIT**

The manager of CEREIT is Cromwell EREIT Management Pte. Ltd. and its registered office is located at 50 Collyer Quay, #07-02 OUE Bayfront, Singapore 049321. The names and addresses of the Directors are set out below.

<b>Name</b>	<b>Position</b>	<b>Address</b>
Mr Lim Swe Guan	Chairman and Independent Non-Executive Director	c/o 50 Collyer Quay, #07-02 OUE Bayfront, Singapore 049321
Mr Paul Weightman	Non-Independent Non-Executive Director	c/o 50 Collyer Quay, #07-02 OUE Bayfront, Singapore 049321
Mr Simon Garing	Executive Director and Chief Executive Officer	c/o 50 Collyer Quay, #07-02 OUE Bayfront, Singapore 049321
Mr Christian Delaire	Independent Non-Executive Director	c/o 50 Collyer Quay, #07-02 OUE Bayfront, Singapore 049321
Ms Fang Ai Lian	Independent Non-Executive Director	c/o 50 Collyer Quay, #07-02 OUE Bayfront, Singapore 049321

### **Information on the Units**

As at the Latest Practicable Date, there were 1,581,143,314 Units in issue and outstanding.

1 Based on the Unaudited Financial Statements.

2 As at 31 March 2018 for the Existing Portfolio (excluding 13 Via Jervis, Ivrea, Italy) and as at 1 April 2018 for the Ivrea Asset.

### **Substantial Unitholders<sup>1</sup> of CEREIT and their Unitholdings**

Based on the Register of Substantial Unitholders maintained by the Manager, the Substantial Unitholders of CEREIT<sup>2</sup> and their interests in the Units as at the Latest Practicable Date are as follows:

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total No. of Units held	%
	No. of Units	%	No. of Units	%		
Cromwell Property Group <sup>(1)</sup>	–	–	558,338,114	35.31	558,338,114	35.31
UBS Group AG <sup>(2)</sup>	–	–	110,658,600	7.00	110,658,600	7.00
UBS AG <sup>(3)</sup>	–	–	110,658,600	7.00	110,658,600	7.00
Cromwell Singapore Holdings Pte. Ltd.	539,270,800	34.19	–	–	539,270,800	34.19
CDPT Finance No.2 Pty Ltd <sup>(4)</sup>	–	–	539,270,800	34.19	539,270,800	34.19
Cromwell Property Securities Limited (as Responsible Entity for Cromwell Diversified Property Trust) <sup>(5)</sup>	–	–	539,270,800	34.19	539,270,800	34.19
Mr Gordon Tang and Mrs Celine Tang <sup>(6)</sup>	218,181,000	13.8	–	–	218,181,000	13.8
Hillsboro Capital, Ltd	181,820,000	11.5	–	–	181,820,000	11.5
Cerberus Singapore Investor LLC	183,618,000	11.61	–	–	183,618,000	11.61
Cerberus Lux, C.V. <sup>(7)</sup>	–	–	183,618,000	11.61	183,618,000	11.61
Cerberus Dutch GP, LLC <sup>(8)</sup>	–	–	183,618,000	11.61	183,618,000	11.61
Cerberus Institutional Partners V, L.P. <sup>(9)</sup>	–	–	183,618,000	11.61	183,618,000	11.61
Cerberus Institutional Associates II, L.L.C. <sup>(10)</sup>	–	–	183,618,000	11.61	183,618,000	11.61
Stephen A Feinberg <sup>(11)</sup>	–	–	183,618,000	11.61	183,618,000	11.61

**Notes:**

- (1) CSHPL is a wholly-owned subsidiary of CDPT Finance No. 2 Pty Ltd., which is in turn a wholly-owned subsidiary of Cromwell BT Pty Ltd (as custodian (aka bare trustee) for Cromwell Property Securities Limited as responsible entity for CDPT). CDPT is part of Cromwell Property Group which is a stapled group comprising CCL and CDPT. Accordingly, Cromwell Property Group is deemed to be interested in CSHPL's interests in the Units. Additionally, the Manager which holds Units, is a wholly-owned subsidiary of CCL. Cromwell CEREIT Holdings Limited which holds Units, is a wholly-owned subsidiary of Cromwell Holdings Europe Limited, which is in turn a wholly-owned subsidiary of Cromwell Europe Limited, which is in turn a wholly-owned subsidiary of Cromwell European Holdings Limited, which is in turn a wholly-owned subsidiary of CCL. As such, Cromwell Property Group is also deemed to be interested in CCL's deemed interests in the Units held by the Manager and Cromwell CEREIT Holdings Limited.

1 "Substantial Unitholders" refer to Unitholders with interests in not less than 5.0% of all Units in issue.

2 The Substantial Unitholders do not have different voting rights from ordinary Unitholders.

- (2) Deemed interests arising by virtue of (a) UBS Group AG having an interest, or (b) Section 7(4) or 7(4A) of the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”) in Units over which subsidiaries/affiliates of UBS Group AG have an interest, by reason of the ability to exercise voting discretion and to acquire/dispose of Units.
- (3) Deemed interests arising by virtue of (a) UBS AG having an interest, or (b) Section 7(4) or 7(4A) of the Companies Act in Units over which subsidiaries/affiliates of UBS AG have an interest, by reason of the ability to exercise voting discretion and to acquire/dispose of Units.
- (4) CSHPL is a wholly-owned subsidiary of CDPT Finance No. 2 Pty Ltd., which is in turn a wholly-owned subsidiary of Cromwell BT Pty Ltd (as custodian (aka bare trustee) for Cromwell Property Securities Limited as responsible entity for CDPT. CDPT is part of Cromwell Property Group which is a stapled group comprising Cromwell Corporation Limited and CDPT. Accordingly, CDPT Finance No. 2 Pty Ltd. is deemed to be interested in CSHPL’s interests in the Units.
- (5) CSHPL is a wholly-owned subsidiary of CDPT Finance No. 2 Pty Ltd., which is in turn a wholly-owned subsidiary of Cromwell BT Pty Ltd (as custodian (aka bare trustee) for Cromwell Property Securities Limited as responsible entity for CDPT. CDPT is part of Cromwell Property Group which is a stapled group comprising Cromwell Corporation Limited and CDPT. Accordingly, Cromwell Property Securities Limited is deemed to be interested in CSHPL’s interests in the Units.
- (6) The Units are held by joint account of Mr. Gordon Tang and Mrs. Celine Tang. Mr. Gordon Tang is the spouse of Mrs. Celine Tang.
- (7) Cerberus Lux, C.V. has a deemed interest in the Units as it is the sole member of Cerberus Singapore Investor LLC and has the ability to exercise control over the disposal of such Units.
- (8) Cerberus Dutch GP, LLC has a deemed interest in the Units as it is the general partner of Cerberus Lux, C.V. (which is, in turn, the sole member of Cerberus Singapore Investor LLC) and has the ability to exercise control over the disposal of such Units.
- (9) Cerberus Institutional Partners V, L.P. has a deemed interest in the Units as it is the managing member of Cerberus Dutch GP, LLC (which is, in turn, the general partner of Cerberus LUX, C.V. (which is, in turn, the sole member of Cerberus Singapore Investor LLC)) and has the ability to exercise control over the disposal of such Units.
- (10) Cerberus Institutional Associates II, L.L.C. has a deemed interest in the Units as it is the general partner of Cerberus Institutional Partners V, L.P. which is, in turn, the managing member of Cerberus Dutch GP, LLC (which is, in turn, the general partner of Cerberus LUX, C.V. (which is, in turn, the sole member of Cerberus Singapore Investor LLC)) and has the ability to exercise control over the disposal of such Units.
- (11) Stephen A. Feinberg has a deemed interest in the Units as the managing member of Cerberus Institutional Associates II, L.L.C. which is, in turn, the general partner of Cerberus Institutional Partners V, L.P. (which is, in turn, the managing member of Cerberus Dutch GP, LLC (which is, in turn, the general partner of Cerberus LUX, C.V. and which is, in turn, the sole member of Cerberus Singapore Investor LLC)) and has the ability to exercise control over the disposal of such Units.

### ***History of Issuance of Units***

The table below sets out the Units issued for cash or services within the 12 months immediately preceding the Latest Practicable Date.

<b>Date</b>	<b>Number of Units Issued</b>
30 November 2017	Issue of 1,390,056,000 Units at an average issue price of €0.55 per Unit in connection with the initial public offering of CEREIF (including the Units issued to the Sponsor and the cornerstone investors).
17 August 2018	Issue of 3,303,739 Units to the Manager at an issue price of €0.5758 per Unit for 1,875,845 Units and €0.5856 per Unit for 1,427,894 Units as payment of 100% of the base component of the Manager’s management fee for the period from the Listing Date to 30 June 2018 (both dates inclusive).
24 October 2018	Issue of 3,849,575 Units to Cromwell CEREIF Holdings Limited, a wholly-owned subsidiary of the Property Manager located at 1st Floor, Unit 16, Manor Court Business Park, Scarborough, Y011 3TU, at an issue price of €0.5758 per Unit for 2,185,768 Units and €0.5856 per Unit for 1,663,807 Units as payment of 40% of the property and portfolio management fees for the period from the Listing Date to 30 June 2018 (both dates inclusive).

### Price Range and Trading Volume of the Units on the SGX-ST

The highest and lowest closing prices and the average daily volume of Units traded on the SGX-ST on the Listing Date, for the period of the 11 calendar months immediately preceding the Latest Practicable Date and for the period commencing on 1 November 2018 to the Latest Practicable Date are as follows<sup>1</sup>:

Month/Period	Closing Price (€ per Unit)		Average Daily Volume of Traded Units (million)
	Highest	Lowest	
Listing Date (being 30 November 2017)	0.555	0.550	18.7
December 2017	0.570	0.530	4.1
January 2018	0.605	0.555	1.0
February 2018	0.590	0.555	1.3
March 2018	0.605	0.560	0.5
April 2018	0.620	0.575	0.3
May 2018	0.635	0.590	0.4
June 2018	0.605	0.570	0.4
July 2018	0.600	0.580	0.2
August 2018	0.600	0.575	0.2
September 2018	0.590	0.550	0.5
October 2018	0.590	0.500	0.4
1 November 2018 to the Latest Practicable Date	0.565	0.505	0.6

**Source: Bloomberg L.P.** Bloomberg L.P. has not provided its consent, for purposes of Section 249 of the SFA (read with Sections 302 and 305B of the SFA), to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (both read with Sections 302 and 305B of the SFA). While the Manager has taken reasonable actions to ensure that the information from the relevant report published by Bloomberg L.P. is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager, the Joint Global Co-ordinators and Bookrunners or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

<sup>1</sup> Since 16 April 2018, Units can also be traded in Singapore dollars. The Singapore dollar counter has only been traded on 34 days between 16 April 2018 and the Latest Practicable Date. The highest and lowest trading price and average daily volume traded of the Singapore dollar counter for each month since 16 April 2018 is (i) April 2018 (S\$1.000, S\$0.970 and 1,676 Units), (ii) May 2018 (S\$1.000, S\$0.935 and 2,414 Units), (iii) June 2018 (nil), (iv) July 2018 (S\$0.970, S\$0.950 and 7,342 Units), (v) August 2018 (S\$0.995, S\$0.930 and 21,255 Units), (vi) September 2018 (S\$0.885, S\$0.885 and 5 Units), (vii) October 2018 (S\$0.885, S\$0.830 and 4,652 Units) and (ix) 1 November to the Latest Practicable Date (S\$0.880, S\$0.805 and 12,692 Units). For the avoidance of doubt, the Rights Entitlements may only be traded in Euros and not Singapore dollars.

## Indebtedness

### **Existing Borrowings**

As at the Latest Practicable Date, CEREIT has total credit facilities of approximately €561.055 million comprising:

- (i) various property level financing facilities of an aggregate of €461.055 million (collectively, the “**Asset Financing Facilities**”); and
- (ii) an unsecured revolving credit facility for €100.0 million (the “**Unsecured RCF Facility**”, together with the Asset Financing Facilities, the “**Facilities**”).

Approximately €520.8 million of the Facilities were utilised as at the Latest Practicable Date.

As at the Latest Practicable Date, the average cost of debt (including upfront debt-related transaction costs) of CEREIT is approximately 1.6% per annum and approximately 81.8% of the utilised Facilities, which were on a floating rate basis, had been hedged using interest rate swap and cap contracts entered into by CEREIT to fix the interest rates on these borrowings. The interest on the remaining 18.2% of the utilised Facilities continue to be on a floating rate basis.

Each of the Asset Financing Facilities is secured by, *inter alia*:

- (i) first-ranking mortgages over the relevant properties;
- (ii) pledges over the receivables of the property-holding special purpose vehicles (“**SPVs**”) or AIFs<sup>1</sup> (as applicable);
- (iii) pledges over the entire issued share capital of the property-holding SPVs or units of the AIFs (as applicable);
- (iv) pledges over the receivables of any lease agreements and insurance proceeds pertaining to the relevant properties and indemnities payable under the relevant sale and purchase agreements;
- (v) a first priority account pledge over all bank accounts of the property-holding SPVs or AIFs (as applicable); and/or
- (vi) a pledge over all hedging receivables in relation to the relevant Asset Financing Facility.

The following constitute mandatory prepayment penalty events<sup>2</sup> in favour of the lender in the relevant Asset Financing Facility:

- (i) the Manager is no longer the manager of CEREIT without the lender’s consent;
- (ii) the Manager ceases to be directly or indirectly owned by CCL;
- (iii) the Property Manager ceases to be directly or indirectly owned and controlled by CCL;

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1 “**AIFs**” means Cromwell Europa 1 or Cromwell Europa 2 (as the case may be), which hold certain of the properties.

2 In respect of mandatory prepayment events, as these cannot be cured (for example, breach of covenants have cure periods), only grace periods are applicable. There are varying grace periods depending on the event for prepaying the loans from the date that such event occurs and the lender declares that a mandatory prepayment event has occurred.

- (iv) a Unitholder holds more than 50.0% of the Units in CEREIT;
- (v) in relation to the Asset Financing Facility relating to the Italian Diversified Portfolio Properties<sup>1</sup>, Cromwell Investment Services Limited is no longer the alternative investment fund manager of the AIFs; or
- (vi) in relation to the Asset Financing Facility relating to the Italian Diversified Portfolio Properties, the UK AIFM<sup>2</sup> ceases to be directly or indirectly owned by CCL.

Event of default provisions under the Unsecured RCF Facility generally follow the customary arrangements in favour of the lender (including but not limited to non-payment, cross default and insolvency). However, due to the subordinated nature of the Unsecured RCF Facility, there are additional events of default provisions which could trigger an acceleration of the Unsecured RCF Facility:

- (i) breach of covenants in respect of the Group giving guarantees or entering into new loans without the prior consent of the lender; and
- (ii) breach of consolidated loan-to-value ratios (i.e. consolidated total borrowings as a percentage of consolidated total assets) as well as debt yield (i.e. net property income over consolidated total borrowings).

The following constitute mandatory prepayment penalty events in favour of the lender of the Unsecured RCF Facility:

- (i) the Manager is no longer the manager of CEREIT without the prior written consent of the lender,
- (ii) the Manager ceases to be a wholly-owned subsidiary of CCL;
- (iii) the Trustee retires, resigns or is removed as trustee of CEREIT and prior to such retirement, resignation or removal, a trustee which is (A) licensed by the MAS under the Trust Companies Act (Chapter 336 of Singapore); and (B) approved by the MAS to act as a trustee of collective investment schemes authorised under Section 289(1) of the SFA, is not appointed as a substitute trustee or any such substitute trustee has not acceded to the terms of the finance documents and provided such documents as the lender may reasonably require in connection with such accession; or
- (iv) the Units cease to be traded on the SGX-ST or trading in the Units is suspended (other than a trading halt initiated by the Trustee or the Manager for the purpose of facilitating the making of announcements) for more than 10 consecutive days on which normal trading of securities on the SGX-ST is carried out.

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1 "Italian Diversified Portfolio Properties" refers to the 14 Italian properties of the initial portfolio of CEREIT.

2 "UK AIFM" refers to Cromwell Investment Services Limited.

## USE OF PROCEEDS

### OFFER PROCEEDS AND USE OF PROCEEDS

The Rights Issue is intended to raise gross proceeds of approximately €224.1 million with the net proceeds of the Rights Issue, being the gross proceeds of the Rights Issue less the estimated amount of Underwriting Commission as well as the other fees and expenses (including professional fees and expenses) incurred in connection with the Rights Issue, estimated to be approximately €219.9 million.

For each Euro of the gross proceeds of approximately €224.1 million that will be raised from the Rights Issue, the Manager intends to allocate the proceeds from the Rights Issue in the following manner:

- (i) approximately 74.7 Euro cents (equivalent to approximately €167.5 million) will be used to partially fund the Total Cost of the Proposed Transaction (excluding expenses incurred in connection with the Rights Issue);
- (ii) approximately 23.4 Euro cents (equivalent to approximately €52.4 million) will be used to partially fund the Total Cost of the Recently Announced Acquisitions (excluding expenses incurred in connection with the Rights Issue)<sup>1</sup>; and
- (iii) approximately 1.9 Euro cents (equivalent to approximately €4.2 million) will be used to pay the estimated fees and expenses, incurred or to be incurred by CEREIT in connection with the Rights Issue.

Notwithstanding its current intention, in the event that the Rights Issue is completed but the Proposed Acquisition does not proceed for whatever reason, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Rights Issue at its absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness and for funding capital expenditures and/or other potential acquisitions.

Pending deployment, the net proceeds from the Rights Issue may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or be used to repay outstanding borrowings or 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 Rights Issue via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. The Manager will also provide a status report on the use of the net proceeds from the Rights Issue in the annual report of CEREIT. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

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<sup>1</sup> The proceeds set aside to fund the acquisition may be used to repay bridging loans taken up to fund such acquisition.

## **Costs of the Rights Issue**

CEREIT will have to bear the following costs and expenses in relation to the Rights Issue:

- (i) underwriting commission and related expenses of €2.9 million which the Manager will pay to the Joint Global Co-ordinators and Bookrunners upon completion of the Rights Issue;
- (ii) incentive fee of up to €0.7 million which the Manager may, at its discretion, pay to the Joint Global Co-ordinators and Bookrunners upon completion of the Rights Issue; and
- (iii) professional and other fees and expenses, of €0.6 million in connection with the Rights Issue.

## **ADDITIONAL DETAILS ON THE USE OF PROCEEDS**

The following sets out additional details on the use of proceeds if such proceeds are used to (i) acquire or refinance the acquisition of an asset (other than in the ordinary course of business), (ii) finance or refinance the acquisition of a business or (iii) discharge, reduce or retire the indebtedness of CEREIT.

### **Acquisition or Refinancing the Acquisition of an Asset other than in the Ordinary Course of Business**

None of the proceeds from the Rights Issue will be used to acquire or refinance the acquisition of an asset other than in the ordinary course of business. The net proceeds from the Rights Issue will be used to partially finance the Proposed Transaction and the Recently Announced Acquisitions<sup>1</sup>. If CEREIT does not proceed with the Proposed Acquisition or any of the Recently Announced Acquisitions, the net proceeds from the Rights Issue will be applied towards other purposes, including without limitation, the repayment of existing indebtedness and for funding capital expenditures and/or other potential future acquisitions.

### **Financing or Refinancing the Acquisition of a Business**

None of the proceeds from the Rights Issue will be used to finance or refinance the acquisition of a business.

### **Discharge, Reduction or Retirement of the Indebtedness of CEREIT**

The proceeds of the Rights Issue set aside to fund the Recently Announced Acquisitions may be used initially to repay some of the bridging debt drawn down to provide short-term funding for such acquisitions prior to proceeds from the Rights Issue being received. Based on the fact that the acquisition of the property located at 13 Via Jervis, Ivrea, Italy has already been completed, and on the assumption that the two other Italian properties that are part of the Recently Announced Acquisitions are also completed and wholly bridge funded by drawing on CEREIT's Unsecured RCF Facility, it is likely that proceeds from the Rights Issue will be used to repay the bridging debt equal to 60% of the acquisition price, or €32.6 million, of these three Italian assets. The remaining 40% of the bridging debt will be repaid shortly thereafter.

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<sup>1</sup> The proceeds set aside to fund the acquisition may be used to repay bridging loans taken up to fund such acquisition.

The details of the indebtedness of CEREIT which the Manager may reduce in full or in part with net proceeds from the Rights Issue (including the details of the maturity of such indebtedness and, in relation to indebtedness which CEREIT has incurred over the past 12 months, the uses to which the proceeds giving rise to such indebtedness were put) are set out in the table below.

<b>Indebtedness which may be reduced</b>	<b>Usage</b>	<b>Facility Limit</b>	<b>Maturity Date(s)</b>
Unsecured RCF Facility	Financing for the acquisition of properties and for general corporate purposes	€100 million	27 November 2019

## **WORKING CAPITAL**

The Manager is of the view that, in its reasonable opinion, the working capital available to CEREIT, as at the date of lodgement of this Offer Information Statement, is sufficient to meet CEREIT's present requirements.

## **COMMISSION**

The following sets out details of the commission payable to the Joint Global Co-ordinators and Bookrunners.

### **Commission payable to the Joint Global Co-ordinators and Bookrunners**

Pursuant to the Underwriting Agreement, the Joint Global Co-ordinators and Bookrunners will be entitled to:

- (i) an aggregate base underwriting commission of 2.0% of the Issue Price multiplied by the total number of Rights Units less the number of Rights Units subscribed for by CSHPL pursuant to the Irrevocable Undertaking (together with any goods and services tax payable thereon); and
- (ii) an incentive fee of up to 0.5% of the Issue Price multiplied by the total number of Rights Units offered under the Rights Issue less the number of Rights Units subscribed for by CSHPL pursuant to the Irrevocable Undertaking (together with any goods and services tax payable thereon) payable at the discretion of the Manager.

## INFORMATION RELATING TO THE PROPOSED ACQUISITION

### INFORMATION ON THE NEW PROPERTIES

The portfolio of New Properties comprises a total of 16 predominantly office properties with two properties in the Netherlands (with an aggregate purchase price of approximately €127.6 million), 11 properties in Finland (with an aggregate purchase price of approximately €113.1 million), and three properties in Poland (with an aggregate purchase price of approximately €71.9 million). The New Properties have an aggregate LFA of approximately 150,235 sq m. All 16 New Properties are sited on freehold or freehold-equivalent land<sup>1</sup>.

The New Properties are geographically diverse and situated in dynamic cities such as:

- (i) Utrecht (part of the Randstad and 4th largest city in the Netherlands);
- (ii) 's-Hertogenbosch (capital city of the province of North Brabant, colloquially known as Den Bosch, in the Netherlands) which continues to benefit from urbanisation trends;
- (iii) Helsinki (capital city of Finland);
- (iv) Kuopio (rapidly growing regional hub and university city in Finland);
- (v) Warsaw (capital city of Poland); and
- (vi) Gdansk (capital city of the Pomerania region and 3rd largest urban area in Poland).

The New Properties benefit from very good accessibility to major transport infrastructure including the A2 highway, Utrecht Central Station, being the busiest train station in the Netherlands and 's Hertogenbosch Central Station in the Netherlands, Helsinki Airport, the largest airport in Finland catering to approximately 83.0% of the domestic and almost all of the international air traffic, having the shortest connecting flights to Asia of all European airports, the Ring Road III, being the most important road network in the Helsinki Metropolitan Area, and urban city centre train stations in Finland; the Trasa Łazienkowska freeway, the Wisłostrada freeway, the Central Railway Station, Chopin Airport, the Gdansk Lech Walesa Airport and the Amber Highway in Poland. CEREIT will upon completion of the Proposed Acquisition own 100% of all the New Properties.

#### The Netherlands

##### (i) Moeder Teresalaan 100 – 200, Utrecht

Moeder Teresalaan 100-200 is a building which provides an area of 21,922 sq m LFA spread over two office buildings with energy label A. Moeder Teresalaan 100 has five floors while Moeder Teresalaan 200 has eight floors and the building is 86.0% occupied by the largest tenant. The property is held on a leasehold plot which has been acquired in perpetuity.

Moeder Teresalaan 100-200 is located in the city centre of Utrecht, close to the central business district (“**CBD**”). It is two tram stops from Utrecht Central Station and a 2-minute drive from the main A2 motorway.

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<sup>1</sup> All New Properties are on freehold land except for Moeder Teresalaan 100-200 in Utrecht, which is on a leasehold land that is acquired in perpetuity. Leasehold acquired in perpetuity means a leasehold for an indefinite period of time and the ground rent has been paid off perpetually.

**(ii) Willemsplein 2, 's-Hertogenbosch**

Willemsplein 2 is a Grade A office property and provides a LFA of 31,979 sq m across eight floors, over six office wings (thereby making it easy for multi-tenant use) with EPC energy label A issued pursuant to the Energy Performance of Buildings Directive. While Willemsplein 2 recently became a multi-tenanted property, it is approximately 80.0% occupied by a large energy company in the Netherlands. The property is held on a freehold plot of 18,710 sq m.

Willemsplein 2 is located in the Paleiskwartier central business district of Den Bosch, a 10-minute walk from the central train station.

**Finland<sup>1</sup>**

**(i) Plaza 2 Park (Plaza Vivace), Helsinki Metropolitan Area**

Plaza Vivace is a building which spans six floors and offers a variety of unit sizes making up a total LFA of 5,661 sq m. It is multi-tenanted with a diverse tenant base. There is a total of 192 parking spaces allocated to Vivace in the nearby parking garage and on the ground level parking lot. Plaza Vivace is held on a freehold basis.

Plaza Vivace is located in the Gate 8 Business Park in the Aviapolis area, which was developed by the Swedish developer NCC, one of the leading construction and property development companies in the Nordics. The park is popular with local businesses; however, it primarily attracts international tenants due to its proximity to the Helsinki Airport, which accounts for approximately 83% of all passenger traffic in Finland and almost all international air traffic. Helsinki Airport offers the highest number of direct flight connections to Asia of all northern European airports. Measured by the number of flight connections, Helsinki Airport is Europe's fifth largest flight hub between Europe and China. In addition, Helsinki airport offers more direct flight destinations to Japan than any other European airport.

The largest office tenant is a leading AC drives manufacturer. The second largest office tenant is an energy distribution company.

**(ii) Plaza 2 Park (Plaza Allegro), Helsinki Metropolitan Area**

Plaza Allegro is a building which spans six floors and offers a variety of unit sizes making up a total LFA of 4,620 sq m. It is multi-tenanted with a diverse tenant base. There is a total of 114 parking spaces allocated to Plaza Allegro in the nearby parking garage and on the ground parking lot. Plaza Allegro is held on a freehold basis.

Plaza Allegro is located in the Gate 8 Business Park in the Aviapolis area, which was developed by the Swedish developer NCC, one of the leading construction and property development companies in the Nordics. The park is popular with local businesses. However, it primarily attracts international tenants due to its proximity to the Helsinki Airport, which

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<sup>1</sup> It should be noted that for the Finland assets, CEREIF will partially own (i) several parking facility operating companies, such ownership entitling CEREIF to possession of parking spaces or parking rights in the parking facilities owned by the parking facility operating companies in accordance with the articles of association of the relevant parking facility operating companies and (ii) two business park management companies which will provide their shareholders (which include indirectly CEREIF as owner of certain of the New Properties) with marketing, consulting and development services regarding the business park areas located in such New Properties. The charges for these services with respect to one business park management company will be shared by the shareholders in proportion to the area of the premises held by each shareholder, and, with respect to the other business park management company, in proportion to the shareholders' ownership in the business park management company, with the principles for such charges being determined for both companies annually by the shareholders and the Board of Directors, and are intended to cover costs incurred by the business park management companies. Ownership of the parking facility operating companies and business park management companies is within CEREIF's investment mandate as the ownership of such companies is ancillary to CEREIF's ownership of the New Properties.

accounts for approximately 83% of all passenger traffic in Finland and almost all international air traffic. Helsinki Airport offers the highest number of direct flight connections to Asia of all northern European airports. Measured by the number of flight connections, Helsinki Airport is Europe's fifth largest flight hub between Europe and China. In addition, Helsinki Airport offers more direct flight destinations to Japan than any other European airport.

The largest tenant is a Finnish building services company that specialises in building homes and care premises. The second largest tenant is the Finnish headquarters of an international logistics company.

### **(iii) Plaza Forte, Helsinki Metropolitan Area**

Spanning seven floors, Plaza Forte is a building which offers a range of unit sizes making up a total LFA of 6,054 sq m. It is multi-tenanted with a diverse tenant base of 28 tenants. The typical lease is 3-5 years, with tenants taking up part of a floor. There is a total of 199 parking spaces in the adjacent co-owned parking garage as well as ground floor parking. Plaza Forte is held on a freehold basis.

Plaza Forte is located in the Gate 8 Business Park in the Aviapolis area, which was developed by the Swedish developer NCC, one of the leading construction and property development companies in the Nordics. The park is popular with local businesses. However, it primarily attracts international tenants due to its proximity to the Helsinki Airport, which accounts for approximately 83% of all passenger traffic in Finland and almost all international air traffic. Helsinki Airport offers the highest number of direct flight connections to Asia of all northern European airports. Measured by the number of flight connections, Helsinki Airport is Europe's fifth largest flight hub between Europe and China. In addition, Helsinki Airport offers more direct flight destinations to Japan than any other European airport.

One of the largest tenants is one of Finland's largest headhunting company, followed by an international medical appliances company.

### **(iv) Grandinkulma, Helsinki Metropolitan Area**

Grandinkulma is a building with four-storeys which has retail and office premises. It has a total LFA of 6,189 sq m and is held on a freehold basis. There is a total of 79 parking spaces operated by Q-park.

Grandinkulma is located in the main commercial hub and regional centre of Vantaa municipality, Tikkurila. Tikkurila is located along the main railway line from Helsinki CBD and Ring Road III, the main east to west highway in the Helsinki region. The building is within walking distance of Tikkurila railway station and adjacent to bus stops, thereby offering excellent access to public transport.

The largest tenant is a health care and social services provider with more than 100 years of operation.

### **(v) Liiketalo Myyrinraitti<sup>1</sup>, Helsinki Metropolitan Area**

Liiketalo Myyrinraitti is a building which has three floors and a basement and has a total LFA of 7,515 sq m. It hosts offices, retail shops, restaurants and gym premises. There are 83 parking spaces in the co-owned garage nearby. Liiketalo Myyrinraitti is held on a freehold basis.

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<sup>1</sup> CEREIT will own 100% of the underlying land relating to Liiketalo Myyrinraitti and, through its ownership of 94% of the shares of Liiketalo Myyrinraitti Oy, own approximately 94% of the building in accordance with the articles of association of Liiketalo Myyrinraitti Oy.

Liiketalo Myyrinraitti is located next to Myyrmäki Square, adjacent to a large shopping centre and close to the principle train station, with trains running between the CBD and the Helsinki Airport. Myyrmäki is an urban city district and is positioned 10 kilometres north of the CBD and 15 kilometres south of the Helsinki Airport.

The largest tenant is a municipality-backed health care operator, operating 22 public hospitals.

**(vi) Pakkalan Kartanonkoski 3, Helsinki Metropolitan Area**

Pakkalan Kartanonkoski 3 is a building which has seven floors of which the majority are offices premises with a total LFA of 7,796 sq m. It is multi-tenanted with 20 tenants and no tenant occupies more than 10% of the total area. There is a total of 216 parking spaces, of which a majority are uncovered ground parking. Pakkalan Kartanonkoski 3 is held on a freehold basis.

Pakkalan Kartanonkoski 3 is part of the Vantaanportti Business Park in the Aviapolis area, benefitting from its close proximity to the Helsinki Airport and the Jumbo Shopping Centre, one of the largest shopping centres in Finland. The asset is located at the intersection between Rind Road III and Highway 45, providing excellent accessibility.

The largest tenant is a Danish retail operator selling household goods and furniture.

**(vii) Pakkalan Kartanonkoski 12, Helsinki Metropolitan Area**

Pakkalan Kartanonkoski 12 is a building which has three floors making up a total LFA of 3,425 sq m with a majority of the let spaces being offices. There is a total of 65 parking spaces, of which a majority are located on a neighbouring parking lot. Pakkalan Kartanonkoski 12 is held on a freehold basis.

Pakkalan Kartanonkoski 12 is part of the Vantaanportti Business Park in the Aviapolis area, benefitting from its close proximity to Helsinki Airport and the Jumbo Shopping Centre, one of the largest shopping centres in Finland. The asset is located at the intersection between Rind Road III and Highway 45, providing excellent accessibility.

The largest tenant is a pharmaceutical business advisor on commercial and regulatory issues. The second largest tenant is a home and multi-function facilities designer. Both of these tenants have their headquarters in Pakkalan Kartanonkoski 12.

**(viii) Purotie 1, Helsinki**

Purotie 1 is a building which has four storeys making up a total LFA of 4,692 sq m and hosts offices and retail premises. The property has 63 parking spaces, including surrounding ground level parking. Purotie 1 is held on a freehold basis.

Purotie 1 is located in Pitijänmäki which is a popular office location for large companies, with Fujitsu, CGI and Digia all having headquarters located in the area. The property benefits from good accessibility by public transportation as it has two train stations and several bus lines servicing the area.

The largest tenant is a Finnish energy group operating in Finland, Sweden and Norway. The second largest tenant is the one of the leading operators in the Nordics offering un-manned facilities for training throughout the day.

**(ix) Mäkitorpantie 3, Helsinki**

Mäkitorpantie 3 is a building which has three storeys and hosts offices, a restaurant with conference facilities, and a gym while the basement holds technical and social premises. The total LFA of Mäkitorpantie 3 is 4,367 sq m and it is held on a freehold basis.

Mäkitorpantie 3 is located in the city district of Käpylä in Helsinki, approximately seven kilometres north of Helsinki CBD. The property is located approximately 200 meters from the Käpylä train station thereby offering excellent connectivity by public transport with only an 8-minute journey to Helsinki CBD.

The largest tenant is a leading pet retailer in the Nordics. The second largest tenant is a service provider in the network design sector.

**(x) Opus 1, Helsinki**

Opus 1 is a building which has a H-shaped floor plan and can offer a flexible layout to cater to tenants needs ranging from 100 sq m to 1,300 sq m per floor, over four office floors. Opus 1 has a LFA of 6,821 sq m and is held on a freehold basis.

Built in 2008 as one of the three buildings making up Opus Business Park, Opus 1 is located next to the main road leading through the area, and is within a short walking distance from the Metro train station.

The largest tenant is a family-owned Finnish industrial conglomerate with operations across Finland, Sweden and the Baltics.

**(xi) Kuopion Kauppakeskus, Kuopio**

Kuopion Kauppakeskus is an office and retail property which offers a total LFA of 4,832 sq m spread over four floors above ground. The freehold property offers retail premises on the ground floor and office premises on the first to third floors. There is a total of 87 car parking spaces, the majority of which are provided in the underground parking garage, with additional parking spaces located on an adjacent plot.

Kuopion Kauppakeskus is located in Kuopio, a rapidly growing regional hub and university city located in eastern Finland approximately 400 kilometres from Helsinki. The property benefits from an exceptionally good micro location, one block away from the main market square in the city centre of Kuopio.

The largest tenant is a large private healthcare operator in Finland. The second largest tenant is a local cooperative of the Pohjois-Savo region part of the S-Group. The cooperative is active in a number of consumer goods segments including daily goods, hardware, restaurants, hotels and banking.

**Poland**

**(i) Riverside, Warsaw, Poland**

Riverside is a building which offers a total office LFA of 12,478 sq m across five floors with a ceiling height of 2.98 meters. It has total of 98 parking spaces. Offices are equipped with suspended ceilings, air-conditioning, raised floors, smoke detectors and carpeting. Riverside is held on a freehold basis.

One of the largest tenants is one of Europe's leading media companies operating across 17 countries in Europe, America and Asia. Riverside is located on the periphery of the Warsaw city centre and is situated at the crossroads of Trasa Łazienkowska and Wisłostrada, two important highways.

**(ii) Grojecka 5, Warsaw, Poland**

Grojecka 5 is a building which offers a LFA of 10,718 sq m of office space across eight floors with a ceiling height of 2.8 meters and a total of 105 parking spaces. The building has efficient floor plates where each office can be arranged flexibly to become an open space work plan, closed private offices or a combination of both. It is held on a freehold basis.

Grojecka 5 is located in the Jerozolimskie office district in Warsaw, 10 to 15 minutes walking distance from the CBD. It is also on Jerozolimskie Street, a major road connecting with the motorway, and therefore enjoys good accessibility by car and has prominent visibility. The property is also well connected to public transportation. The nearest train station is located within 200 meters, the Central Railway Station is 1.5 km away and Chopin Airport is approximately 7 km away.

One of the largest tenants is one of the largest banks in Poland.

**(iii) Arkonska Business Park, Gdansk, Poland**

Arkonska Business Park is a building which comprises a LFA of 11,166 sq m of office space and is spread over five storeys with a total of 155 parking spaces. It is well connected to public transport with the nearest train station located within a 10-minute walk. Arkonska Business Park is held on a freehold basis.

Arkonska Business Park is in Gdansk which is part of the Tricity, one of the biggest urban areas in Poland consisting of Gdansk, Gdynia and Sopot. Tricity has one of the fastest developing office markets in Poland, where the majority of new development are A-class buildings.

One of the largest tenants is a Polish bank headquartered in Wroclaw. The bank offers a wide range of brokerage services, asset and investment fund management, leasing and factoring.

**INFORMATION ON THE ITALIAN PROPERTIES**

The Ivrea Asset is an office building comprising three levels above ground and a basement, with traditional reinforced concrete structures and a flat roof. The building has a net lettable area of 17,990 sq m, was originally built in 1955 and has been extensively refurbished over the years, with the most recent refurbishment still in process.

The Ivrea Asset is a freehold property which is leased to two tenants: Vodafone Italia and La Direzione del Benessere, a fitness and wellness centre.

The Ivrea Asset is located in Ivrea, which is a city approximately 45 km north-east of Turin, and benefits from accessibility by public transport and by a road network.

The Bari Asset is a freehold office building comprising fifteen levels above ground and a basement. The building has a net lettable area of 11,674 sq m, was originally built in 1985 and has been partially refurbished over the course of the last 10 years.

The Bari Asset is currently master leased to Agenzia del Demanio, the entity in charge of managing the real estate assets of the Italian State, and has a remaining lease term that stands

at 4.25 years as at 30 September 2018. Some of its occupants include the National Institute for Insurance against Workplace Accidents and the Italian Ministry of Labour and Social Policies.

Located in Bari, the second-most important economic centre of southern Italy after Naples, the Bari Asset is on the seaside promenade and sits on an area that is undergoing residential rejuvenation and has potential future change of land usage, which can have a favourable effect on land prices. The property also benefits from good accessibility by public transportation, given its proximity to the Marconi railway station on the State Railway network and the Bari Centrale station.

The Genova Asset is a freehold office building comprising nine levels above ground and a basement. The building has a net lettable area of 15,537 sq m, was originally built in 1950 and was last refurbished in 2011.

It is also currently master leased to Agenzia del Demanio and has a remaining lease term that stands at 5.25 years as at 30 September 2018. It has among its occupants public administration entities such as the Agency of Revenue, the Ministry of Infrastructure and Transports, the Court of Accounts and the State Attorney's offices.

The Genova Asset is located in Genova, the capital of the Liguria region and the sixth-largest city in Italy. It is also one of Europe's largest cities on the Mediterranean Sea and has the largest seaport in Italy. Genova is part of the Milan-Turin-Genova triangle, considered Italy's economic powerhouse.

## **INFORMATION ON THE FRENCH PROPERTIES**

The French Properties comprises a total of four predominantly logistic properties and one DIY home improvement centre in France (with an aggregate purchase consideration of approximately €34.4 million). The French Properties are all on triple net leases, and have an aggregate LFA of approximately 42,321 sq m. Most of the French Properties are sited on freehold land with the exception of 46-48 boulevard Dequevauvilliers in Gennevilliers which is held on leasehold land.

The Gennevilliers asset is a leasehold property with a 29 year residual term. It was built in 2003 and comprises 7,404 sq m of lettable area. It is located in Gennevilliers, in the North of Paris Region, 9 km away from Paris (Porte de Clichy/Porte de Saint-Ouen – 1 km away from the motorway intersection serving A86 outer ring road) and close to Gennevilliers Harbour, the primary river transport harbour in France. The property is located in a well established industrial area with grade A tenants such as Chronopost, Point P, Thalès, DHL, Geodis, etc. The building is currently fully let to GRDF, a French state backed company, which is also the ground landlord.

The Sully-sur Loire asset is a freehold property comprising 15,500 sq m of lettable area and was developed in 2002. It is located 40 km East from Orléans and 178 km South from Paris, 35 km from A10 motorway (linking Paris to Bordeaux) and 32 km from A77 motorway, in a mixed residential/industrial area. The building is currently fully let to Inteva Products (a key automotive supplier for the CSA Peugeot group) that has operated from the area since 1955.

The Parçay-Meslay asset is a freehold property comprising 5,494 sq m of lettable area and was developed in 2002. It is located in an established industrial area 4 km from A10 leading Paris to Bordeaux) and A28 (linking the North of France) motorways intersection. The property is located in a industrial area with grade A tenants such as Geodis, Porsche, DB Schenker, FedEx, etc. The building is currently fully let to Atac (Auchan group). The demand for the area exceeds supply due to the lack of warehouses which is underpinning rental levels.

The Villeneuve-les-Beziers asset is a freehold property comprising 8,944 sq m of lettable area and was developed in 2002. It is strategically located in the South of France, 3 km East from Béziers,

60 km West from Montpellier, 230 km West from Marseille, 100 km from the Spanish border and 2 km away from A9 (linking Marseille and Spain) and A75 (linking Clermont-Ferrand to Montpellier) motorways intersection. The property is located in the best industrial and retail area of this zone, with blue chip tenants such as Suez, Veolia, and Metro in a supply constrained area. The building is currently occupied by DHL and negotiations are on-going with respect to a re-gear or take over of the lease by a large French retailer.

The Aulnay-sous-Bois asset is a freehold property comprising 5,980 sq m of lettable area on a single floor and was built in 2003. It is located in Aulnay-sous-Bois, in the north-east of Paris Region (adjacent to the RN2 motorway leading to Paris – 12 km away from A86 outer ring road), in a mainly residential area but including retail (supermarket and shopping mall) and leisure. By 2023, a new Grand Paris metro station will be delivered in the vicinity of the property. The building is currently fully let to Bricoman on a rolling-lease basis and discussions are on-going with the incumbent tenant to enter into a new lease.

**DETAILS OF THE ACQUISITIONS**

**The New Properties**

**Purchase Consideration**

The Property Purchase Price, being the agreed aggregate purchase price for the New Properties, which was negotiated on a willing-buyer and willing-seller basis taking into account the independent valuations conducted by the Independent Valuers, is approximately €312.5 million.

The Proposed Acquisition Purchase Consideration payable under the Master Purchase Agreement is approximately €308.8 million and is based on the Property Purchase Price of €312.5 million, adjusted for certain estimated net liabilities of the Target Companies (subject to further adjustments based on the actual consolidated net assets and liabilities of the Target Companies at completion of the Proposed Acquisition)<sup>1</sup>.

C&W determined the market value<sup>2</sup> of the New Properties as at 27 September 2018 at €314.6<sup>3</sup> million (based on the income capitalisation approach), while Colliers determined the market value<sup>2</sup> of the New Properties as at 27 September 2018 at €317.1<sup>3</sup> million (based on the income capitalisation approach).

The following table sets out the appraised values of the New Properties, the respective dates of such appraisal and the Property Purchase Price. The valuations by the Independent Valuers in the table below have been rounded to one decimal place.

<b>Appraised Value</b>		<b>Property Purchase Price Price (€ million)</b>
<b>By C&amp;W as at 27 September 2018 (€ million)</b>	<b>By Colliers as at 27 September 2018 (€ million)</b>	
314.6	317.1	312.5

1 The adjustments for net assets and liabilities are necessary for the New Properties that will be acquired by CEREIT through a share acquisition.

2 The term “market value” here is defined in the RICS Red Book as follows: “The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

3 The valuations by the Independent Valuers have been rounded to one decimal place.

## Estimated Total Cost of the Proposed Acquisition

The estimated Total Cost of the Proposed Transaction is approximately €329.7 million, comprising:

- (i) the Proposed Acquisition Purchase Consideration of approximately €308.8 million;
- (ii) the Acquisition Fee, which amounts to approximately €3.1 million. Although the Proposed Acquisition will not strictly constitute a Related Party Transaction, for the purposes of good corporate governance, the Acquisition Fee will be in the form of Units which shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix. The acquisition fee in respect of each of the New Properties is 1.0% of the Property Purchase Price of the New Properties, and will only be paid on completion of the Proposed Acquisition in accordance with the terms of the Master Purchase Agreement.
- (iii) real estate transfer tax of approximately €10.3 million<sup>1</sup>; and
- (iv) the estimated professional and other fees and expenses incurred or to be incurred by CEREIT in connection with the Proposed Transaction of approximately €7.5 million.

## Principal Terms of the Master Purchase Agreement

In connection with the Proposed Acquisition, on 30 October 2018, CEREIT, through the CEREIT SPV, entered into the MPA with the Vendors, to acquire the predominantly freehold interests in the New Properties (in the case of an asset sale) or, subject to the following, all the issued shares held by the Vendors in the Target Companies, which will in turn (directly or indirectly) own equity interests in the property holding companies which hold the predominantly freehold interests in the New Properties (in the case of a share sale).

The principal terms of the MPA includes, among others, the following:

- (i) completion of the Proposed Acquisition is subject to the satisfaction of the following conditions: (a) approval from the unitholders of CEREIT having been obtained in accordance with CEREIT's regulatory obligations; (b) the ordinary resolution relating to the equity fundraising having been passed; and (c) any purchasing entity under the MPA remaining a wholly-owned subsidiary undertaking of CEREIT (the "**Ownership Condition**"). Conditions (a) and (b) are referred to as the "Regulatory Conditions" and these must be satisfied by a long stop date of 16 November 2018;
- (ii) following exchange of the MPA, certain newly incorporated special purpose vehicles (which will be wholly owned by CEREIT), shall be permitted to accede to the MPA (provided that they are incorporated in Luxembourg, the Netherlands or Finland) for the purpose of purchasing specific Target Properties<sup>2</sup> and/or shares in specific Target Companies in place of the named CEREIT SPV in the MPA;

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1 The real estate transfer tax of approximately €10.3 million assumes that the acquisition of the Polish properties are not subject to real estate transfer tax. If real estate transfer tax is applicable to the Polish properties, the value of the real estate transfer tax will be approximately €1.4 million higher.

2 "**Target Properties**" refers to the properties located at (i) Moeder Teresalaan 100-200, Utrecht, The Netherlands; (ii) Mäkitorpantie 3b, Helsinki, Finland; (iii) Myyrmäenraitti 2, Vantaa, Finland; (iv) Kauppakatu 39, Kuopio, Finland; (v) ul. Fabryczna 5 and 5A, Warsaw, Poland; (vi) ul. Grojecka 5, Warsaw, Poland and (vii) ul. Ulica Arkonska 6, Gdansk, Poland.

- (iii) the relevant Vendor has agreed to contact the City of Helsinki and request that it waives its rights in respect of the Finnish PE Right<sup>1</sup>. However, the receipt of a waiver to the Finnish PE Right is not a condition to completion under the MPA;
- (iv) the MPA is an English law governed agreement. Any disputes under or in connection with the MPA shall be referred to, and finally settled, in arbitration in accordance with the London Court of International Arbitration Rules;
- (v) neither party can bring a claim against the other in respect of the Transfer Documents<sup>2</sup> unless such claim is required to give effect to the transfer of any Target Company or Target Property under the MPA. In the event that a claim is made in breach of the limited scope under which a claim can be made, the party making the claim will indemnify the other for any losses arising as a consequence of the claim;
- (vi) completion in the Netherlands and Finland ("**Completion**") is expected to take place on the same day and the date fixed for Completion in the MPA is on 21 December 2018 or, if CEREIT has not completed its equity fund raising by such date, on 27 December 2018;
- (vii) the acquisition of each Polish Target Property ("**Poland Completion**") shall be conditional on the receipt of a customary tax ruling issued by the Polish tax authorities;
- (viii) one of the Polish Target Properties (the Riverside Property) is subject to a pre-emption right under which the Polish State Treasury has the right to acquire that Target Property instead of the CEREIT SPV ("**Polish PE Right**")<sup>3</sup>. Completion of the acquisition of the Riverside Property will be conditional on the waiver or expiration of the Polish PE Right;
- (ix) the consideration for the Proposed Acquisition shall be an amount equal to: (a) the aggregate of the final net asset value of the Target Group (as defined herein); plus (b) the aggregate of the value of each Target Property; plus (c) the amount of the VAT levied under applicable law in respect of a Polish Target Property if a positive tax ruling is obtained; less (d) the outstanding tenant incentives in relation to the properties across the three jurisdictions; less (e) approximately one third the cost of the warranty and indemnity insurance policy<sup>4</sup>;
- (x) each party shall have the ability to terminate the MPA if the other party is in material breach of its obligations. A breach will be considered material in respect of the CEREIT SPV if it fails to comply with its payment obligations and a breach will be considered material in respect of the Vendors if it fails to meet its obligations to provide the documents necessary to transfer all of its relevant sale interests and/or deliver other material deliverables (in each case, a "**Material Breach**");

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1 The acquisition of three of the Finnish properties will trigger a statutory municipal pre-emption right pursuant to the Finnish Pre-Emption Act under which the City of Helsinki has the right to acquire the properties instead of the relevant Purchaser (the "**Finnish PE Right**"). In the event the Finnish PE Right is exercised, the City of Helsinki must reimburse the Purchaser as follows: (i) the consideration paid by the Purchaser for the properties (save for any consideration paid due to omissions of the Purchaser); (ii) costs related to financing and other necessary costs arising out of the acquisition of the three properties incurred by the Purchaser; and (iii) necessary costs related to the maintenance and upkeep of the properties incurred by the Purchaser;

2 The transfer documents pursuant to which the transfers of the Target Properties and the shares in the Target Companies are completed (the "**Transfer Documents**") are governed by the laws of the Target Properties and Target Companies respective jurisdictions/domicile.

3 The transfer Poland tax ruling application process and the Polish PE Right process shall run concurrently with the aim of achieving completion of the acquisition of each of the Polish Properties on or shortly after 1 February 2019.

4 Following Completion, the Purchaser and the Vendors will undertake a process to agree a completion statement that will set out any adjustments to the amount paid by the purchaser in respect of the net asset value of the Target Group.

- (xi) one Business Day following the date of the MPA, the CEREIT SPV shall, or shall procure, that a deposit in the amount of €15,850,000 is transferred into an escrow account (with funds to clear in the escrow account no later than the following Business Day) (the “**Deposit**”). The Deposit can be released as follows: (a) in the event the Regulatory Conditions are not satisfied by 16 November 2018 and the MPA is terminated, €1,000,000 will be released to the Vendors and the rest will be returned to the CEREIT SPV; (b) if the MPA is terminated because the Ownership Condition is not satisfied or the CEREIT SPV commits a Material Breach, the Deposit will be released to the Vendors; (c) if the MPA is terminated due to a Material Breach by the Vendors, then the Deposit will be released to the CEREIT SPV; (d) on each Poland Completion, the relevant *pro rata* amount of the Deposit attributable to that Property will be released to the Vendors; (e) in respect of a Poland Completion, if the MPA is terminated because the Ownership Condition is not satisfied or the CEREIT SPV commits a Material Breach, the relevant *pro rata* amount of the Deposit attributable to that Property will be released to the Vendors; and (f) in respect of a Poland Completion, if the MPA is terminated because a Vendor commits a Material Breach, there is a Material Adverse Change (as defined below) subsisting at the Property or the Polish PE Right is exercised, the relevant *pro rata* amount of the Deposit attributable to that Property will be released to the CEREIT SPV;
- (xii) in addition to the escrow account established for the Deposit, there will also be escrow accounts put in place: (a) to hold an amount equal to the assumed monthly headline rent and service charge (“**Rental Income**”) for a period of 15 months in respect of certain leases that have not been completed by Completion (“**TI Lease**”). If there is a shortfall between the expected Rental Income and the actual Rental Income received following completion of a TI Lease, such shortfall amount (up to the amount of the Rental Income) will be released to the CEREIT SPV; and (b) following agreement of the completion statement, amounts will be released from an escrow account to the CEREIT SPV and/or the Vendors as necessary to ensure that the parties are made whole. To the extent that the amount owed to the CEREIT SPV following agreement of the completion statement is greater than the sum held in escrow, the Vendors will remain liable for the excess;
- (xiii) the properties are acquired on an ‘as is, where is’ basis;
- (xiv) in the event that either: (a) any of the Target Properties are damaged to the extent that rental income in respect of that Target Property is reduced by 30% or more; and either (i) there is not an insurance policy in place to cover the loss of rental income for a period of 36 months; or (ii) the damage cannot be repaired within 24 months; or (b) an occupational tenant by reason of insolvency is unable to pay rent which has the consequence of reducing the rental income received in respect of any Target Property by 30% or more (and provided such rent is not guaranteed), (a “**Material Adverse Change**”) are subsisting on the Business Day prior to Completion or Poland Completion (as the case may be) the CEREIT SPV shall have the right to be released from its obligations to complete on the purchase of the affected Target Property and the consideration will be reduced accordingly;
- (xv) the MPA will include indemnities in favour of the CEREIT SPV in respect of certain liabilities that have been identified during the due diligence process;
- (xvi) subject to disclosure, at exchange, Completion and each Poland Completion, the Vendors will provide standard warranties in respect of the Target Companies and Properties to the CEREIT SPV;

- (xvii) each Vendor will have several liability;
- (xviii) save in respect of any fundamental warranty claim, transfer pricing claim or certain other excluded tax claims, the Vendors' liability in respect of warranty claims will be capped at €1. Any claim made by the CEREIT SPV in respect of the warranties, save as set out in the forgoing, will be made against a warranty and indemnity insurance policy placed with AIG; and
- (xix) the CEREIT SPV will have seven years to make a tax claim, two years to make a claim under the general warranties and three years to make a claim under the fundamental warranties.

## **The Italian Properties**

### **Purchase Consideration**

The purchase consideration for the Bari Asset and the Genova Asset is €12.3 million and €25.2 million, respectively. The total purchase consideration for the Italian Properties is €37.5 million (the "**Italian Properties Purchase Consideration**"). Each asset's purchase consideration was arrived at on a willing buyer and willing seller basis and based on the independent valuation of each Italian Property. CEREIT may pay (subject to certain allowable deductions) an additional consideration for the purchase of the Italian Property upon occurrence of an earn-out event<sup>1</sup>.

The Italian Acquisition is expected to be completed in December 2018, subject to the non-exercise of Agenzia del Demanio's (i.e. the State Government) statutory right of first offer within 30 days of receiving the relevant notice from the vendor of the Italian Properties and other condition precedents.

The acquisition of the Bari Asset and the Genova asset are not inter-conditional. Therefore, CEREIT may acquire both Italian Properties if the conditions precedent for both Italian Properties are satisfied, or where the conditions precedent of either the Bari Asset or the Genova Asset are not satisfied, may acquire the other Italian Property only.

In addition, the purchaser also has the right to designate, in accordance with the requirements under the relevant sales and purchase agreement, a person to acquire all of the rights and undertake all of the obligations of the purchaser under the relevant sale and purchase agreement in respect of the purchase of the Italian Properties.

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<sup>1</sup> There will be an earn-out amount plus applicable taxes ("**Italian Earn-out Amount**") payable by CEREIT to the Italian Properties vendor or any entity to which the Italian Properties vendor has assigned its rights in cash for the purchase of the Italian Properties. The whole or part of the Italian Earn-out Amount, capped at €5.8 million would only be payable if CEREIT is contractually entitled to receive rental income from the incumbent tenant over a period of up to six years immediately following the expiry of the current term of the relevant lease (being 29 December 2022 for the Bari Asset and 29 December 2023 for the Genova Asset), whether as a result of renewal or extension of the existing lease or events which have a similar economic effect as a renewal or extension of the lease.

## **Estimated Cost of the Italian Acquisition**

The total cost of the Italian Acquisition is estimated to be approximately €39.7 million (the “**Total Italian Acquisition Cost**”), comprising:

- (i) the Italian Properties Purchase Consideration of €37.5 million;
- (ii) the acquisition fee payable to the Manager of €0.4 million;
- (iii) the real estate transfer taxes of €0.7 million; and
- (iv) the professional and other fees and expenses in connection with the Italian Acquisition of €1.1 million.

## **The French Properties**

### **Purchase Consideration**

The total purchase consideration for the French Properties is €34.4 million (the “**French Properties Purchase Consideration**”). The total purchase consideration was arrived at on a willing buyer and willing seller basis and based on the independent valuation of each French Property.

The French Acquisition is expected to be completed by 31 December 2018, subject to:

- (i) where applicable, the relevant local authorities not exercising or waiving their respective right of first refusal within the legal timeframe;
- (ii) where applicable, the relevant tenants waiving their right of first refusal under the relevant leases; and
- (iii) other condition precedents.

### **Estimated Cost of French Acquisition**

The total cost of the French Acquisition is estimated to be approximately €38.0 million (the “**Total French Acquisition Cost**”), comprising:

- (i) the French Properties Purchase Consideration of €34.4 million;
- (ii) the acquisition fee payable to the Manager of €0.3 million;
- (iii) the real estate transfer tax of €2.6 million; and
- (iv) the professional and other fees and expenses in connection with the French Acquisition of €0.7 million.

For the avoidance of doubt, while the binding offer in relation to the French Properties has been accepted, further due diligence will be conducted and there is no assurance that the French Acquisition will be completed.

## OPERATING AND FINANCIAL REVIEW AND PROSPECTS

*This section should be read together with the selected financial data from the Unaudited Financial Statements which are set out in **Appendix A** of this Offer Information Statement. Such selected financial data should be read together with the relevant notes to the Unaudited Financial Statements, where applicable, which are available on the website of CEREIT at <http://www.cromwelleuropeanreit.com.sg> and are also available for inspection during normal business hours at the registered office of the Manager at 50 Collyer Quay, #07-02 OUE Bayfront, Singapore 049321, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement<sup>1</sup>.*

*Save for the Unaudited Financial Statements which are deemed incorporated into this Offer Information Statement by reference, the information contained in the website of CEREIT does not constitute part of this Offer Information Statement.*

### OPERATING REVIEW

#### Statement of Total Return and Distribution Statements

Selected financial data from the Unaudited Financial Statements is set out in **Appendix A** of this Offer Information Statement. Financial data relating to (i) DPU, (ii) EPU and (iii) EPU after adjustment to reflect the issuance of the Rights Units, among others, are also set out in **Appendix A** of this Offer Information Statement.

Such selected financial data should be read together with the relevant notes to the Unaudited Financial Statements where applicable.

#### Balance Sheets and Cash Flow Statements

Selected financial data from the Unaudited Financial Statements, including the line items in the consolidated balance sheets and cash flow statements of CEREIT, as well as the number of Units after any adjustment to reflect the issuance of the Rights Units, NAV per Unit, and NAV per Unit after any adjustment to reflect the issuance of the Rights Units are also set out in **Appendix A** of this Offer Information Statement.

Such selected financial data should be read together with the relevant notes to the Unaudited Financial Statements where applicable.

#### Liquidity and Financial Resources

Selected financial data from the Unaudited Financial Statements are set out in **Appendix A**. Such selected financial data and information should be read together with the relevant notes to the Unaudited Financial Statements where applicable.

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<sup>1</sup> Prior appointment with the Manager will be appreciated.

## Unaudited Financial Statements for the period from Listing Date to 30 September 2018

During the financial period from the Listing Date to 30 September 2018, the cash generated from operations was €61.1 million. The total cash used in investing activities was €814.8 million which was primarily used to acquire subsidiaries and properties.

Net cash generated from financing activities was €774.8 million which was primarily due to new Units issued at the initial public offering. Proceeds from borrowings of €310.7 million were utilised to either repay existing bank borrowings or to partially fund the acquisition of subsidiaries and properties. Distributions paid to Unitholders amounted to €39.9 million.

Cash and cash equivalents at the end of the financial period was €33.9 million. In addition, CEREIT had committed undrawn limits on its revolving credit facility of €56.8 million.

### **FINANCIAL REVIEW**

*The following sets out the management's discussion and analysis on significant factors, including any unusual or infrequent event or new development, which materially affected income available for distribution to Unitholders after tax, including significant components of revenue or expenditure relating to distribution to Unitholders after tax for the financial periods referred to below.*

### **Management's Discussion and Analysis of Financial Condition and Results of Operations**

## Unaudited Financial Statements for the period from Listing Date to 30 September 2018

During the period, Gross Revenue and Net Property Income were €104.3 million and €69.3 million respectively which were 2.0% and 4.3% higher than the IPO Forecast<sup>1</sup>. Consequently, the DPU of 3.61 Euro cents for the period exceeded the IPO Forecast by 1.9% on the back of an increase in income available for distribution of 1.9% to €57.2 million. The improvement in Gross Revenue, Net Property Income and DPU against IPO Forecast was mainly due to the strong performance from the Pan-European light industrial portfolio which generated rental income which was higher than the IPO Forecast by €2.5 million, on the back on better-than-projected leasing outcomes in France and the Netherlands.

### Working Capital

CEREIT's internal resources and its available committed undrawn loan facilities have been sufficient for its working capital requirements for the financial period to date.

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1 "IPO Forecast" means the forecast and projection of CEREIT as set out in the Prospectus. The prospectus of CEREIT dated 22 November 2017 (the "Prospectus") disclosed a 1-month profit forecast for the period from 1 December 2017 to 31 December 2017 (the "December 2017 Forecast"), and a full-year profit projection from 1 January 2018 to 31 December 2018 (the "FY2018 Projection"). The FY2018 Projection disclosed in the Prospectus was derived from four separate quarterly projections which in aggregate formed the FY2018 Projection. The "IPO forecast" figures referred to in this Offer Information Statement were, where not expressly disclosed in the Prospectus, derived from the December 2017 Forecast and the first, second, and third quarterly projection for the period from 1 January 2018 to 30 September 2018 which had been used by the Manager to form the FY2018 Projection.

## BUSINESS PROSPECTS AND TREND INFORMATION

### Business and Financial Prospects of CEREIF and Significant Trends and Conditions of the Market

According to “European Economic Forecast Autumn 2018” published by the European Commission<sup>1</sup>, the EU economy is entering its sixth year of uninterrupted growth and all Member States are expected to grow over the forecast horizon. The extraordinary impulse from the rebound in global growth and trade enjoyed by the European economy last year is already wearing off, as the outlook for global growth is weakening and trade tensions have risen.

The strength of Europe’s domestic growth drivers should however be sufficient to allow activity to continue growing and unemployment falling. The improving labour market, slightly stronger wage growth and expansionary fiscal measures in some Member States, should help to sustain consumption next year. In addition, investment should enjoy the continued support of still favourable financing conditions, even assuming the gradual normalisation of monetary policy.

From 2.4% in 2017, euro area GDP growth is forecast to moderate to 2.1% this year and 1.9% in 2019, slightly below the growth rate projected back in the summer. It is then expected to ease smoothly to 1.7% in 2020.

The euro has appreciated slightly in nominal effective terms in recent months due to a strengthening against a range of emerging market currencies. At the same time, it has weakened rather substantially against the US dollar, reflecting the different pace of monetary policy normalisation as well as uncertainty related to trade tensions. The euro’s nominal effective exchange rate is assumed to appreciate by about 5% on average this year and by another 0.6% next year.

Private consumption growth also moderated in the first half of the year, in line with decreasing consumer confidence. It is however forecast to remain a main growth driver supported by solid fundamentals. Labour markets should continue to improve, with wage increases contributing more towards household nominal disposable income growth than rising employment. Low interest rates should also help to sustain asset prices and household wealth.

European economic growth, favourable consumption trends as well as improving labour markets are set to continue to benefit Cromwell European REIT as all these underpin tenant demand and potential rental uplifts. CEREIF’s portfolio resilience is further strengthened with the enhanced geographical diversification in the recently announced acquisitions of 3 portfolios through the increase from 5 countries to 7 countries exposure with the inclusion of Finland and Poland. Further to this, with the recently announced acquisitions CEREIF’s portfolio is rebalancing with more exposure towards the office sector and leveraging better leasing outcomes through “barbell approach” to portfolio management, with growth provided by light industrial/logistics sector and stability provided by office sector. Further growth is expected to come from the potential upside from reversionary yields and the ongoing active asset enhancement initiatives.

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1 **European Commission.** European Commission has not provided its consent, for purposes of Section 249 of the SFA (read with Sections 302 and 305B of the SFA), to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (both read with Sections 302 and 305B of the SFA). While the Manager has taken reasonable actions to ensure that the information from the relevant report published by European Commission is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager, the Joint Global Co-ordinators and Bookrunners or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

## RISK FACTORS

*The risks described below should be carefully considered before making an investment decision in relation to the Rights Entitlements, the Rights Units or the Units. The risks described below are not the only ones relevant to CEREIT, the Manager, the Trustee, the Rights Entitlements, the Rights Units or the Units. These risk factors are not intended to be exhaustive and, in particular, are not intended to repeat the risk factors set out in the prospectus dated 22 November 2017 in connection with the listing of CEREIT on the SGX-ST (the “**Prospectus**”), certain of which may continue to be applicable to CEREIT. Details of some of the risk factors relating to the Existing Portfolio which continue to be applicable to CEREIT can be found in the Prospectus. Additional risks not described below or not presently known to the Manager and/or the Trustee or that it/they currently deem(s) immaterial may later become material and may also impair the business operations of CEREIT. The business, financial condition or results of operations of CEREIT could be materially and adversely affected by any of these risks.*

### RISKS RELATING TO THE PROPERTIES

**CEREIT may be adversely affected by economic and real estate market conditions (including uncertainties and instability in global market conditions and increased competition in the real estate markets), political or constitutional instability, conflicts and/or crises, as well as changes in regulatory, fiscal and other governmental policies in Europe.**

The Properties are located in Europe. As a result, CEREIT’s gross revenue is derived from properties located across Europe and the results of operations depend upon the performance of the European economy. A downturn in the economies of any of these European markets, or the impact that an economic decline in the European economy may have upon these European markets, could result in reduced demand for office, light industrial/logistics and/or retail space and in turn adversely affect CEREIT’s results of operations, future growth and its ability to make regular distributions to its Unitholders.

In addition, Europe’s economy is affected by global economic conditions. Global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. There remains a concern that the debt crisis affecting Europe will impinge upon the health of the global financial system. These events could adversely affect CEREIT insofar as they could result in:

- a negative impact on the ability of tenants to pay their rents in a timely manner or continue their leases, thus reducing CEREIT’s cash flow;
- a decline in the demand for leased space for office, light industrial/logistics and retail purposes across Europe and the rents that can be charged when leases are renewed or new leases entered into, as compared to rents that are currently charged;
- a decline in the market values of the Properties;
- access to capital markets becoming more difficult, expensive or impossible resulting in a material adverse effect on the Group’s ability to obtain debt or equity capital to fund its operations, meet its obligations, purchase additional properties or otherwise conduct its business;
- an increase in counterparty risk (being the risk of monetary loss which the Group may be exposed to if any of its counterparties encounters difficulty in meeting its obligations under the terms of its respective transaction); and/or

- an increased likelihood that one or more of (i) the Group's banking syndicates (if any) or (ii) the Group's insurers, may be unable to honour their commitments to the Group.

There is also uncertainty as to the strength of the global economy, the potential for slowdown in consumer demand, the impact of the global downturn on the European economy and the impact of political or constitutional instability, conflicts and/or crises in European countries. These could contribute to an economic decline in Europe, which may adversely affect CEREIT's business, financial condition, results of operations and future growth.

Further, the Group and the Properties will be subject to real estate laws, regulations and policies of European jurisdictions. Measures and policies adopted by European governments and regulatory authorities at national, state or local levels, such as government control over property investments or foreign exchange regulations, may negatively impact CEREIT's properties.

**The Properties might be adversely affected if the Manager, the Property Manager, the UK AIFM or any other person appointed to manage a Property does not provide adequate management and maintenance.**

As the tenants rely on the proper functioning of the infrastructure of CEREIT's properties for their business operations, if the Manager, the Property Manager, the UK AIFM or any other person appointed to manage a Property fails to provide adequate management and maintenance to such a Property, the value or proper operation of the Property may be adversely affected which may result in a loss of tenants, affect CEREIT's business, financial condition, results of operations, prospects and its ability to make regular distributions to its Unitholders may be adversely affected.

**CEREIT is subject to the risk of non-renewal, early termination or non-replacement of leases, and the loss of a significant number of tenants of any of the Properties could have an adverse effect on the business, financial condition and results of operations of CEREIT.**

Any downturn in the businesses, bankruptcy or insolvency of a tenant of the Group may result in such tenant deciding not to or being unable to renew its lease at the end of a lease cycle or such tenant's lease to terminate before its expiry date. Factors that affect the ability of tenants to meet their obligations under the leases include, but are not limited to:

- their financial position;
- the local economies in which they have business operations;
- the ability of tenants to compete with their competitors;
- in the instance where tenants have sub-leased the Properties, the failure of the sub-tenants to pay rent; and
- material losses in excess of insurance proceeds.

Certain leases may also grant optional early termination rights to tenants subject to certain conditions, including but not limited to the payment of termination fees or, in the case of leases with major tenants, at certain specified points in time without termination fees, or operate to allow tenants the right to terminate at short notice (for example, a six-month notice period or such shorter notice period in the case of rolling leases).

In addition, if a major tenant or a significant number of tenants terminate their leases or do not renew their leases at expiry, the Group's financial condition, results of operations, capital growth and prospects may be adversely affected. The amount of rent and the terms on which lease renewals and new leases are agreed may also be less favourable than the current leases and

substantial amounts may have to be spent for leasing commissions, tenant improvements or tenant inducements. Additionally, the demand for rental space may be reduced by tenants seeking to reduce their leased space at renewal or during the term of the lease for a variety of reasons. Although the low occupancy rates of certain Properties have not, to the Manager's knowledge, resulted in a material adverse impact on the relevant vendor's financials and/or operations, if replacement tenants cannot be found in a timely manner or on terms acceptable to the Manager upon a tenant's default, non-renewal, early termination or reduction in space, this is likely to have a material adverse effect on the Properties, which could adversely affect the business, financial condition, results of operations and prospects of the Group, as well as the ability of CEREIT to make regular distributions to its Unitholders.

**Amenities and transportation infrastructure near the Properties may not be completed or implemented as planned, or may be closed, relocated, terminated or delayed.**

There is no assurance that amenities, transportation infrastructure and public transport services near the Properties will be completed or implemented as planned, or, if in existence, will not be closed, relocated, terminated or delayed. If such an event were to occur, it could adversely impact the accessibility of the relevant Property and the attractiveness and marketability of the relevant Property to tenants which may in turn have an adverse impact on the demand and rental rates for the relevant Property and the ability of CEREIT to make regular or attractive distributions to its Unitholders may be adversely affected.

**The Properties may require periodic capital expenditures beyond the Manager's estimates at the time of acquisition and CEREIT may not be able to fund such capital expenditures.**

In order to remain competitive or to comply with laws and regulations applicable from time to time, the Properties and future properties to be acquired by CEREIT may require periodic capital expenditures for refurbishment, renovation for improvements and further development that are beyond the Manager's estimates at the time of acquisition. CEREIT may not be able to fund such capital expenditures solely from cash provided from its operating activities and may not be able to obtain additional equity or debt financing on favourable terms or at all to fund these expenditures. If CEREIT is not able to fund such capital expenditures, the attractiveness, marketability and operating efficiency of the Properties may be adversely affected.

**CEREIT may not be able to put in place or maintain adequate insurance in relation to the Properties and its potential liabilities to third parties or may suffer material losses in excess of insurance proceeds.**

The Properties face the risk of suffering physical damage caused by fire, terrorism, acts of God such as natural disasters like earthquakes, flooding or other causes, as well as potential public liability claims, including claims arising from the operations of the Properties. In addition, certain risks, such as floods and losses caused by the outbreak of contagious diseases, contamination or other environmental impairment or breaches, may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. As an example, the Group's property and casualty insurance policies for the Properties do not cover acts of war, intentional or dishonest acts, nuclear reaction or radio-active contamination, asbestos contamination or other long-term environmental impairments. The examples set out above do not purport to be an exhaustive set of policy coverage exclusions.

Further, should an uninsured loss or a loss in excess of insured limits occur, the Group could be required to pay compensation and/or lose capital invested in the affected Property as well as anticipated future revenue from that Property as it may not be able to rent out or sell the affected Property and any financial obligations secured by such Property may be accelerated. There is no assurance that material losses in excess of insurance proceeds will not occur.

**Renovation or redevelopment works or physical damage to the Properties may disrupt operations and collection of rental income or otherwise result in an adverse impact on the financial condition of CEREIT.**

The quality and design of the Properties have a direct influence over the demand for space in, and the rental rates of, a Property. Properties may need to undergo renovation or redevelopment works from time to time to retain their competitiveness and may also require *ad hoc* maintenance or repairs or refurbishment in respect of faults or problems or as a result of new planning laws or regulations. The costs of maintaining the Properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as buildings age or if the Properties are not maintained properly. The business and operations conducted at a Property may suffer some disruption, and it may not be possible to collect the full or any rental income on space affected by such renovation, redevelopment, maintenance, repair or refurbishment works.

In addition, physical damage to a Property resulting from fire or other causes may lead to a significant disruption to the business and operations conducted at the Property and may cause injury or loss of life to human beings. These, together with the aforesaid maintenance or repair requirements, may result in unanticipated costs and liability for the Group and result in an adverse impact on the business, financial condition and results of operations of CEREIT and its ability to make regular distributions to its Unitholders.

**CEREIT could incur significant costs or liability related to environmental matters.**

The Group's operations are subject to various environmental laws, including those relating to lead – containing compounds and enhanced concentrations of heavy metals in limited areas, indoor air quality issues, air pollution control, water pollution control, land pollution control, noise control, waste disposal, and the release, threatened release, storage, disposal and use of hazardous or toxic materials or substances. Under these laws, an owner or operator of real property may be subject to liability, including a fine or imprisonment, for environmental pollution, including without limitation discharge of pollutants into the air or water bodies without a permit or for the improper handling or storage of hazardous or toxic substances at a Property, notwithstanding that the owner or operator may not have caused the environmental pollution or that the pollution did not occur during the current ownership or operation of the Property.

In addition, the Group may be required to incur expenses and make capital expenditures to comply with these environmental laws. The discharge, release or disposal of air or water pollutants without a valid permit or the improper use, storage or handling of hazardous or toxic materials or substances at any of the Properties may expose the Group to liability or materially adversely affect its ability to sell or lease a Property or to borrow using a Property as collateral. The Properties and other assets acquired in the future by CEREIT may be affected by contamination or other environmental issues which may not previously have been identified and/or rectified at the time of acquisition or which may subsequently occur after acquisition.

This gives rise to a number of risks, including:

- the risk of prosecution by environmental authorities;
- the requirement for unbudgeted additional expenditure to remedy such issues;
- the adverse impact on the operations of the affected Property which may in turn adversely affect the revenue of CEREIT;
- the financial position of the tenants which are in violation may be adversely impacted, affecting their ability to conduct business and to meet their tenancy obligations; and
- the adverse impact on the value of the affected Property.

Further, asbestos-containing materials are present in the premises of certain Properties located in certain countries.

These countries also have relevant regulations in relation to management of asbestos in the buildings in respect of which the Group will have to comply with or procure compliance with on an on-going basis. The regulations require, amongst other things, regular inspection and monitoring of the asbestos containing premises and if the Group removes the asbestos or renovates or demolishes the buildings, certain environmental regulations govern the manner in which the asbestos must be handled and removed, and the Group could incur substantial costs complying with such regulations. As at the Latest Practicable Date, CEREIT does not have any material non-compliance with the relevant laws and regulations relating to the management of asbestos. In addition, the Manager is of the view that the presence of asbestos is common in older buildings and with proper management, the presence of asbestos-containing materials in certain of the Properties would not prevent or delay the sale of such Properties.

As is customary with most property owner's insurance policies, the Group does not have any insurance to cover any losses that it may incur as a result of known environmental conditions and coverage in relation to unknown environmental conditions is limited to where damage results from a sudden or accidental event so there can be no assurance that environmental conditions present at the Properties, now or in the future, and costs which may be incurred to address environmental contamination, will not materially and adversely affect the Group.

The current political debate about climate change has resulted in various treaties, laws and regulations which are intended to limit carbon emissions. Such laws being enacted or proposed may cause energy costs at the Properties to increase in the future or require CEREIT to make material investments in the Properties which could materially and adversely affect its financial condition and results of operations.

Although the Manager is not aware of the abovementioned risks at the Properties having resulted in a material adverse impact on the relevant vendor's financials and/or operations, there is no assurance that the business, financial condition, results of operations and prospects of CEREIT will not be adversely affected arising from the abovementioned risks materialising at the Properties.

**Certain Properties located in Denmark, Germany and France are registered as contaminated land.**

Several of the Properties in Denmark have been registered as contaminated land according to the Danish Act on Soil Contamination. However, as there are no outstanding orders to investigate or clean up against any of such Properties, CEREIT is currently not required to take any further action in relation to the soil contamination issues.

A number of Properties located in Germany are being registered in the register of contaminated sites due to their former uses. Under the German Soil Protection Law, the owner of the property can be held responsible by the relevant authority for the remediation of contamination irrespective of who caused the contamination and whether this was during the ownership of the current owner. Currently, there is no indication that any of the Properties located in Germany are not in material compliance with the German Soil Protection Law in respect of their current use. Certain Properties are being included in the register solely based upon their historical status as industrial sites and their statuses as registered contaminated properties does not necessarily refer to an actual contamination onsite that is in breach of applicable laws and regulations.

Several of the Properties in France have been registered in the register of contaminated sites, which are the French Inventory for Contaminated Sites (*BASOL*) and French Inventory for Former Industrial and Operation Sites (*BASIAS*). Currently, there is no indication that any of the Properties located in France are not in material compliance with the French Soil Protection Law in respect of their current use. Certain Properties are being included in the register solely based upon their historical status as industrial sites and their statuses as registered contaminated properties do not necessarily refer to an actual contamination onsite that is in breach of applicable laws and regulations.

However, there is no assurance that the Group will not be required to incur expenses and make capital expenditures to comply with laws on soil contamination or other environmental laws in relation to any of its Properties. Should the Group be required to incur significant expenses or undertake significant capital expenditure in order to comply with applicable environmental laws, or should the use of the Properties be affected by applicable environmental laws, the business, financial condition and/or results of operations of CEREIT may be adversely affected.

**Occurrence of any acts of God, natural disasters, war and terrorist attacks may adversely and materially affect the business and operations of the Properties.**

Acts of God, such as natural disasters like earthquakes and floods, war and terrorist attacks are beyond the control of CEREIT or the Manager. These may materially and adversely affect the economy, infrastructure and livelihood of the local population. CEREIT's Properties, business, financial condition, results of operations, and income available for distribution may be adversely affected should such acts of God, war or terrorist attacks occur. There is no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operations of the Properties and hence CEREIT's income available for distribution.

In addition, physical damage to the Properties resulting from fire, earthquakes, floods or other acts of God or acts of war, civil unrest, political disruption, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, may directly or indirectly lead to a significant disruption to the business and operation of the Properties. This may result in the loss of invested capital in affected Properties as well as anticipated future revenues as CEREIT may not be able to rent out or sell the affected Properties. The Group may suffer a loss of or disputes with existing tenants in the affected Properties and any financial obligations secured by such Properties may be accelerated.

**The representations, warranties and indemnities granted in favour of CEREIT by the vendors of the Properties are subject to limitations as to their scope, amount and timing of claims which can be made thereunder.**

The representations, warranties and indemnities granted in favour of the Group in the sale and purchase agreements relating to the Properties are subject to limitations as to the scope, amount and the timing of claims which can be made thereunder.

For example, the purchaser is only able to make claims for breach of limited material warranties under some of the sale and purchase agreements. Although the Group has the benefit of warranties and indemnities insurance policies (the "**W&I Insurance Policies**") in respect of some of the sale and purchase agreements to mitigate the risks relating to limitations on the sellers' liability for breach of warranties thereunder, the W&I Insurance Policies themselves are also subject to conditions and limitations, including conditions and limitations on time, scope, amount, minimum size of claims, the aggregate amount claimable and the losses that the beneficiary would have to bear before making a claim under the W&I Insurance Policies. Therefore, CEREIT may not have recourse under the sale and purchase agreements and the W&I Insurance Policies (if applicable) may not be adequate to cover all losses or liabilities which the Group might suffer or

incur in connection with the Properties and/or the Corporate Entities<sup>1</sup>. CEREIF will need to rely on its own due diligence to mitigate against the risk of such losses and liabilities.

While the Manager believes that reasonable due diligence has been performed with respect to the Properties and the Corporate Entities, there can be no assurance that there will not be any losses or liabilities suffered by the Group in connection with the Properties or the Corporate Entities beyond the limits of the recourse under the sale and purchase agreements and the W&I Insurance Policies, as the case may be. In the event that the Group suffers losses or liabilities in connection with the Properties and/or the Corporate Entities which it has no recourse or only limited recourse to under the sale and purchase agreements or W&I Insurance Policies, CEREIF's financial condition, business, results of operations and/or prospectus may be materially adversely affected.

**The due diligence exercise on the Properties, tenancies, buildings and equipment and on all the Corporate Entities may not have identified all material defects, breaches of laws and regulations or historical tax liabilities and other deficiencies.**

The Manager believes that reasonable due diligence investigations with respect to the Properties and the Corporate Entities were, and with respect to future acquisitions will be, conducted prior to their acquisition. However, there is no assurance that the Properties will not have defects or deficiencies requiring repair, maintenance or replacement (including design, construction or other latent property or equipment defects in the Properties which may require additional capital expenditure, special repair, maintenance expenses, the payment of damages or to other obligations to third parties) or be affected by breaches of laws and regulations.

Statutory or contractual representations, warranties and indemnities given by any seller of properties are unlikely to afford satisfactory protection from costs or liabilities arising from such property or equipment defects.

Costs or liabilities arising from material defects breaches of laws and regulations or historical tax liabilities and other deficiencies which are not addressed under the relevant sale and purchase agreement may require significant capital expenditures or obligations to third parties and may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on CEREIF's earnings and cash flows.

Some examples of the potential limitations of the due diligence process on the Properties and the Corporate Entities are described below.

In general, the scope of legal due diligence on the Properties and the Corporate Entities is limited only to (i) the information, documents and results specifically disclosed or provided by the vendors in the course of due diligence and the due diligence confirmations provided and (ii) results of searches obtained of publicly available information on certain public registers. CEREIF will be exposed to the historical and future liabilities and obligations of the Corporate Entities following the completion of the respective acquisitions, as CEREIF will be ultimately responsible for satisfying these liabilities and obligations. These liabilities would include ordinary course type liabilities and obligations relating to the operations of the Corporate Entities in the past or the future, as well as liabilities or obligations arising from the Corporate Entities being operated other than in compliance with real estate, tax, financial services and other laws and regulations and/or obligations to third parties (including unidentified historic liabilities or obligations).

While the Manager has not identified from its due diligence specific material liabilities relating to the historic operations of the Corporate Entities which appear significant and outside the ordinary course and which are not otherwise already disclosed herein, there can be no assurance that the

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1 "Corporate Entities" means the property-holding entities which hold directly or indirectly the Properties.

Corporate Entities will not have significant unidentified liabilities or obligations or operational deficiencies (including debt or trade payables, unknown or defective contracts), given in particular, that certain of the Corporate Entities have been in operation for relatively long periods of time. Such undisclosed defects or deficiencies may require significant capital expenditures or obligations to third parties and involve significant and unpredictable patterns and levels of expenditure which may have a material adverse effect on CEREIT's net assets, earnings and cash flows. In addition, the documents that the vendors could not furnish may also adversely affect the ability of CEREIT to sell the relevant Properties in future.

**The Corporate Entities and the Properties could be affected by missing documents or inconsistent documents.**

Not all documents relating to the Corporate Entities and the Properties requested in the course of due diligence (including without limitation, building permits, occupancy permits, zoning decisions, water permits and corporate records) are available. They could have been misplaced by the vendors or missing due to the age of the records or not obtained, and in addition, certain documents may be partly incomplete or, due to the passage of time, illegible. Although the Manager does not consider the missing documents, incomplete documents or illegible documents to be a material issue as there is no evidence that such missing documents, incomplete documents or illegible documents indicate a lack of title to the Properties, and that the risks of demolition of the Properties and heavy fines are remote, there is no assurance that the due diligence has uncovered all non-compliance with the laws, regulations, terms of all documentation relevant to the Corporate Entities and the Properties, and all material liabilities in respect of the Corporate Entities and the Properties.

There may be potential grounds for invalidation of zoning decisions, building permits or occupancy permits issued in respect of certain Properties because of irregularities in the documentation relating to the construction process in relation to the construction of certain parts of the Properties such as potential inconsistencies between the building permits, occupancy permits, zoning permits, cadastral maps and/or master plans, or irregularities in the administrative decisions or proceedings relating to the issuance of zoning decisions, building permits and/or occupancy permits. If a zoning decision, building permit or occupancy permit is invalidated, not obtained, or certain areas of a property are found to be in non-compliance with applicable laws and regulations, it may result in financial penalties being imposed, the affected area of the property having to be demolished or reinstated to their previous condition (as the case may be) unless, where applicable, a legalisation procedure is successfully undertaken, and the payment of a legalisation fee is made. This may result in unbudgeted costs for the Group or an unexpected decrease in the value of the Properties which might result in an adverse impact on the financial condition and results of operations of CEREIT and the ability of CEREIT to make regular distributions to its Unitholders.

**Certain of the Properties are subject to rights of first refusal and rights of first offer and other provisions under the relevant lease agreements or at law in favour of the tenants.**

Lease agreements with certain tenants at the Properties contain rights of first refusal or pre-emptive rights exercisable by such tenants in the event of an asset sale of part and/or all of the relevant Property. Where a pre-emptive right exists, CEREIT (or its relevant subsidiary) must first offer the relevant tenant an opportunity to purchase the relevant Property (or part thereof) or portfolio of the Properties on the same terms that CEREIT is proposing to sell at. As a result, CEREIT may only proceed with the sale of the relevant Property (or part thereof) or portfolio of Properties if the relevant tenant does not wish to exercise its pre-emptive right. In addition, certain tenants have pre-emptive rights to lease vacated premises which fulfil certain criteria. These rights of first refusal and rights of first offer may affect CEREIT's ability, in an asset sale, to obtain the best possible price (under the relevant market conditions) on a divestment of such Properties or to capture potential market upside (whether in terms of rental income or selling price). Certain

tenants of the Properties also have expansion rights that allow them to lease additional premises in the Properties and require the development/conversion of certain space at the Properties for their leasing, on terms set forth in their leases or may have extension or renewal rights for their existing space upon terms more favourable than available in the market. This may affect the landlord's ability to negotiate with existing tenants for more favourable terms (depending on the prevailing tenant market), to enter into lease agreements with new tenants at more favourable terms (depending on the prevailing tenant market) with respect to such space or otherwise to capitalise on other sources of value in the Properties. This may in turn affect CEREIT's ability to increase the income from the Properties.

Certain leases may also contain provisions that are favourable to the tenant, including without limitation, non-compete clauses which prevent the landlord from leasing premises to tenants which are in competition with existing tenants, and provisions entitling the tenant to early termination or rental reduction if the level of commercialisation falls below the thresholds specified in the lease agreements, where the property is undergoing redevelopment, or if certain actions of the landlord causes the location of the tenant premises to materially deteriorate, thereby affecting the tenant's turnover or the attractiveness of the location and turnover, or entitling the tenant to rent abatement or requiring the landlord to be liable for an act or omission of a subsequent co-owner which results in a breach of the landlord's obligation under the lease.

Although the Manager is not aware of the abovementioned risks at the Properties having resulted in a material adverse impact on the relevant vendor's financials and/or operations, there is no assurance that the business, financial condition, results of operations and prospects of CEREIT will not be adversely affected by the abovementioned risks materialising at the Properties.

**In respect of certain Properties, CEREIT is bound by pre-emption rights and other restrictions in favour of governmental authorities.**

10 of the Properties to be acquired are subject to pre-emption rights in favour of governmental authorities: three in Finland, one in Poland, four in France and two in Italy. Should CEREIT intend to dispose of certain Properties, it should be noted that (i) for all the Properties located in France, under applicable French laws, a proposed asset sale of the Properties or a sale of the majority of the shares of the French real estate civil companies which directly hold the Properties is subject to a pre-emption right in favour of the urban authority (ii) for all the Properties located in Finland, under applicable Finnish laws, a proposed asset sale of a Property or the Properties in excess of a certain area is subject to a pre-emption right in favour of the relevant urban authority. For the Helsinki metropolitan area, the limit is 3,000 sqm and 5,000 sqm for other urban authorities, (iii) for one of the Properties located in Poland, under the applicable Polish law, a sale of the Property is subject to a pre-emption right in favour of Warsaw's urban authority and, (iv) for three of the Properties in Italy, under the applicable Italian laws or respective lease agreements, there are pre-emption rights in relation to the local urban authority or certain tenants.

The existence of such pre-emption rights may impact CEREIT's ability to obtain the best possible price (under the relevant market conditions) on a divestment of such Properties or to capture market upside.

**The Properties may face increased competition from other properties.**

The Properties are, and CEREIT expects that subsequently acquired properties will be, located in areas where other competing properties are present and new properties may be developed which may compete with the Properties. Some competing properties may be newer, be better located, have more attractive features, floor plans or amenities or otherwise be more attractive to tenants. Competing properties may also have lower rates of occupancy or operating costs than the Properties, which may result in competing owners offering available space at lower rents than offered at the Properties.

The income from, and the market value of, the Properties will be dependent on the ability of such Properties to compete against other properties for tenants. If competing properties are more successful in attracting and retaining tenants, or similar properties in their vicinity are substantially upgraded and refurbished, the income from the Properties and subsequently acquired properties could be reduced, adversely affecting the business, financial condition, results of operations, prospects of CEREIT and the ability of CEREIT to make regular distributions to its Unitholders.

**The appraisals of the Properties are based on various assumptions and the price at which CEREIT is able to sell such Properties in the future may be different from the initial acquisition value or subsequent valuations.**

There can be no assurance that the assumptions on which the appraisals of the Properties are, or will be, based are accurate measures of the market, and the values may be evaluated inaccurately. The Independent Valuers may have included a subjective determination of certain factors relating to a Property such as its relative market position, financial and competitive strengths, and physical condition and, accordingly, the valuation of a Property (which affects the NAV per Unit) may be subjective and prove incorrect. Valuation of a Property can be affected by and change as a result of the price we pay for the Property. For instance, a purchase price that is lower than a valuation of a Property undertaken prior to the signing of a sale and purchase agreement for the Property may have the effect of lowering the valuation of the Property undertaken at a subsequent date.

The valuation of any Property does not guarantee a sale price at that value at present or in the future. The price at which CEREIT may sell a Property may be lower than its purchase price, its subsequent valuations or the anticipated sale price projected at the time of acquisition.

**Certain Properties located in France are co-owned with third parties and subject to the risks relating to the co-ownership of properties.**

Three Properties located in France, being Parc Delizy, Parc de l'Esplanade and Parc Urbaparc are held in co-ownership. Under French law, co-ownership means that the building is divided: (i) into several co-ownership units which belong to different owners (known as the private areas of the co-ownership) and (ii) into the common areas which are attached to the private units. Common areas may include the soil, foundations, main walls, lifts, stairways, corridors and technical plant rooms, which is similar to the concept of common areas in a property that is subject to strata-subdivision in Singapore. The common parts are divided into the smallest common denominator, for example in parts of 1,000, but each part is owned collectively by the owners.

The relationship between the various co-owners is governed by the bye-laws of the association (*règlement de co-propriété*). These bye-laws set out the responsibility of each co-owner for a part of the charges of the common parts of the building in proportion to that which each holds (for example, 300/1000) in a descriptive document (*Etat Descriptif de Division*), and the necessary quorum and majority for relevant resolutions. Such resolutions may relate to the suppression of certain common facilities in the building and to carry out works on the common parts.

All the co-owners belong to an association (*Syndicat*) and such an association makes all the decisions relating to the co-ownership in general meetings. The syndicat appoints a manager (*syndic*) who alone has the right to represent the syndicat with regards to third parties.

The conduct of voting at general meetings is that each co-owner has as many votes as it has parts of the co-ownership in the common areas. This, however, is subject to the limitation that where one co-owner owns more than half of the parts of the co-ownership in the common areas, the number of such a co-owner's votes is capped at the total of all of the votes of the other co-owners, thereby ensuring that no individual co-owner has a simple majority of votes available in general meeting which would enable it to dictate the operation of the co-ownership in the common areas.

Moreover, any device to avoid this provision may be null and void, including any attempts to put in place arrangements whereby a majority co-owner gives voting rights of some of his parts to other co-owners whose ability to vote is under its control. This would prevent a sizeable co-owner from exercising its influence over the co-ownership commensurate with the size of its holding.

Although CEREIT's interests are safeguarded as it will own fully its effective interest in the relevant Properties and can thus deal with its share of the Properties, CEREIT is exposed to the aforementioned risks relating to the co-ownership of assets in relation to its effective interest in the relevant Properties, which may have an impact on the liquidity, value and management of the relevant Properties.

**Some of the Finnish companies which will be acquired by CEREIT in connection with some of the Properties in Finland will be partially owned by CEREIT and therefore subject to (i) risks relating to management of partially owned companies in Finland and (ii) commercial risks associated with partially owned companies in Finland.**

Upon completion of the Proposed Acquisition, CEREIT will have an indirect partial ownership in seven Finnish companies incorporated in connection with some of the Properties in Finland, being Liiketalo Myyrinraitti Oy (94%), Kiinteistö Oy Plaza 2 Park (47.511%), Yrityspuiston Autopaikat Oy (2.8%, 3.3% and 50.4%, respectively), Kiinteistö Oy Plaza Park (34.66%), Ruukkukujan Autopaikat Oy (3.74%)<sup>1</sup>, Opus Business Park Oy (35%) and Airport Plaza Business Park Oy (12.51%, 12.5% and 12.5%, respectively). Six of these companies are parking facility operating companies and business park management companies and (see "Information relating to the Proposed Acquisition – Information on the New Properties – Finland" for details of these companies). In the case of Liiketalo Myyrinraitti Oy, CEREIT will own 100% of the underlying land relating to Liiketalo Myyrinraitti and, through its ownership of 94% of the shares of Liiketalo Myyrinraitti Oy, own approximately 94% of the building in accordance with the articles of association of Liiketalo Myyrinraitti Oy.

The above listed Finnish companies are either mutual real estate companies ("MREC"), ordinary real estate companies ("REC") or limited liability companies. There may be decisions in relation to the management of a partially owned company which a shareholder does not have control over. Resolutions of the shareholders are generally passed with a majority of votes, with certain material decisions (for example, relating to amendments to the articles of association, a directed share issue, a merger or demerger) which require a majority of two-thirds of the votes and decisions relating to an increase in the shareholders' obligations to make payments to an MREC or a REC in addition to what is set out in the articles of association and treating the shareholders unequally requiring the consent of all shareholders so affected. A sale of a property owned by an MREC or a REC would require, depending on the legislation which applies to the company, a resolution of either two-thirds of the votes and shares represented at a shareholder meeting or or an explicit consent of all shareholders (regardless of their shareholding percentage). In addition, a shareholder may not have control over the commercial decisions of the parking facility operating companies and business park management companies (for example, level of distributions). Although these issues may be applicable to the six parking facility operating companies and business park management companies, these companies are ancillary to CEREIT's ownership of certain of the Finnish Properties and not expected to generate significant income.

In the case of Liiketalo Myyrinraitti Oy, consent of the other shareholder is not required for the sale of the building that CEREIT indirectly owns, provided that the part of the building indirectly owned by CEREIT is sold by virtue of a sale of the corresponding shares in Liiketalo Myyrinraitti Oy. CEREIT has full control over the commercial decisions relating to the parts of the building held by Liiketalo Myyrinraitti Oy or indirectly by CEREIT, noting, however, the shareholder consent requirements concerning decisions relating to treating the shareholders unequally and to

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<sup>1</sup> In the circular to Unitholders dated 30 October 2018, this number is reflected as 3.5%. The number should be 3.74%.

increasing the shareholders' obligations to make payments to the company in addition to what is set out in the articles of association.

**Some of the Properties may encroach on neighbouring properties.**

Certain of the Properties may have been erected on or over the boundary lines to neighbouring properties. In certain cases, it may be difficult to ascertain absolute cases of encroachment as the buildings are built very closely to the boundary lines and as such, it is challenging to determine conclusive evidence of encroachment.

In the event that a Property is found to be encroaching upon neighbouring land, the Group may be liable to pay rent in relation to the encroachment or incur additional expenditure to remove the encroachment if demanded to do so. This may have an adverse effect on the business, financial condition, results of operations and/or prospects of CEREIT and its ability to make regular distributions to the Unitholders.

**Some of the Properties are subject to various encumbrances.**

The Properties are subject to various encumbrances. These encumbrances include easements granted for the maintenance of technical facilities (e.g. pipes), rights of way, encroachments, building restrictions, rights to use car parking spaces, rights regarding distance spaces to neighbouring buildings or usage restrictions, pre-emption rights and other rights and claims of and other limitations imposed by third parties.

There is a risk that the encumbrances may (i) affect CEREIT's ability to divest the affected Properties in the future; (ii) restrict future development plans of CEREIT; (iii) cause the Group to be liable for damages in the event certain encumbrances are not strictly adhered to; (iv) cause the Group to incur additional expenses if it wishes to remove such encumbrances by contractual means; and (v) restrict the pool of potential tenants arising from the usage restrictions. As a result, the encumbrances may have a material adverse effect on the business, financial condition, results of operations and/or prospects of CEREIT and its ability to make distributions to the Unitholders.

**There are imperfections with the lease agreements in relation to certain Properties.**

There are imperfections with certain lease agreements as certain clauses in such agreements are not or may not be compliant with the laws in the relevant jurisdictions, because the applicable statutory requirements may be quite restrictive or certain restrictions were enacted in recent years resulting in the lease agreements that had been entered into prior to such enactments containing clauses that may not be compliant. Some of the risks of such flawed provisions include the tenant's right to early termination, the relevant clauses being deemed void and/or regarded as unwritten in whole or in part, which could result in risks such as the lessor being deprived of its rights under the affected provisions of the lease agreement (for example, provisions relating to rent adjustment), or the tenant making claims against the lessor to recover payments made pursuant to such provisions in the lease agreements. These imperfections would not be rectified prior to acquisition of the relevant Properties as the risks arising from such imperfections are remote in the view of the Manager.

In the case of certain lease agreements reviewed, the imperfections of the lease agreements may arise from written form defects, and/or missing documentation or information, which may lead to a right of early termination of the lease for both parties. Imperfections are not unusual to be found in commercial lease agreements due to the rather strict statutory provisions and court rulings. In addition, in the case of certain lease agreements reviewed, the imperfections (like indexation clauses and service charge clauses) are not unusual to be found in commercial lease agreements due to rather strict statutory provisions and court rulings. However, those further imperfections would not per se lead to the termination of the lease by the tenant. The risk arising from the

detected imperfections would be that the relevant tenant would claim for a refund of certain sums which would have been, presumably, unduly paid on the stipulations which are not fully compliant with applicable laws. In the event of early termination of such leases or claims made by the tenants in relation to such flaws, there may be a material adverse effect on CEREIT's rental income or loss of revenue, and hence adversely affect the ability of CEREIT to make distributions to the Unitholders.

### **Some of the Properties are subject to planning and environmental restrictions.**

Eight of the Properties located in Germany are located within the scope of development plans set up by the respective municipalities in which a Property is located. These development plans effectively zone the areas for industrial purposes and prohibit certain usages of the Properties such as for retail and entertainment purposes. Such prohibitions may restrict the pool of potential tenants for the affected Properties and may adversely affect CEREIT's revenue and results of operations. Further, where the current use of the affected Properties does not comply with the restrictions set out within the development plans, the authorities may levy a fine and/or issue a stop order against the Group.

For Firenze, the property is subject to cultural heritage restrictions under Italian Law no. 1089/1939 and all building works which are to be carried out on the property in the future will have to be authorised by the Superintendent for Architectural Heritage and Landscapes (Province of Florence, Pistoia and Prato). Moreover, the property is only classified for use as offices, residential and/or cultural activities and cannot be used in a manner which is inconsistent with its historical or artistic characteristics, or which may impair its preservation. Similarly, the Ivrea Asset is subject to a direct cultural and heritage constraint as provided under section 13 of the Legislative Decree No. 12/2004, which means the property is subject to specific building regulations and restrictions and all building works which are to be carried out on the property in the future will have to be authorised by the Superintendent for Architectural Heritage and Landscapes. Furthermore, Blaak is a listed building under the Netherlands Monuments and Historic Buildings Act 1988 (*Monumentenwet 1988*) and is a protected monument under the Netherlands Municipalities Act (*Gemeentewet*).

## **RISKS RELATING TO CEREIT'S OPERATIONS**

### **The Manager may not be able to successfully implement its investment strategy for CEREIT.**

The Manager may not be able to successfully implement its investment strategy, expand CEREIT's portfolio at any specified rate or to any specified size, or make acquisitions or investments on favourable terms or within a desired time frame.

CEREIT faces active competition in acquiring suitable and attractive properties from other property investors, including other real estate investment trusts ("**REIT**"), office property development companies and private investment funds. There is no assurance that CEREIT will be able to compete effectively against such entities and its ability to make acquisitions under its acquisition growth strategy or acquisitions that are accretive may be adversely affected. Even if CEREIT were able to successfully acquire properties or other investments, there is no assurance that CEREIT will achieve its intended return on such acquisitions or investments.

The real estate industry in which CEREIT operates is capital intensive and CEREIT may from time to time require significant amounts of capital for purposes such as acquisitions or redevelopment. Since the amount of borrowings that CEREIT can incur to finance acquisitions is limited by the Property Funds Appendix, such acquisitions are likely to be largely dependent on CEREIT's ability to raise equity capital. This may result in a dilution of Unitholders' holdings. Potential vendors may view negatively the prolonged time frame and lack of certainty associated with the raising of equity capital to fund any such purchase. They may instead prefer other potential purchasers.

**Any breach by the major tenants of their obligations under the lease agreements or a downturn in their businesses may have an adverse effect on CEREIT.**

In the event that any major tenants of CEREIT are unable to pay their rent or breach their obligations under the lease agreements, the level of distributable income may be adversely affected. The performance of the major tenants' other businesses could also have an impact on their ability to make rental payments to CEREIT.

Factors that affect the ability of such major tenants to meet their obligations include, but are not limited to:

- their financial position;
- the local economies in which they have business operations;
- the ability of such major tenants to compete with their competitors; and
- material losses in excess of insurance proceeds.

**The amount CEREIT may borrow is limited, which may affect the operations of CEREIT.**

Under the Property Funds Appendix, CEREIT is permitted to borrow up to 45.0% of the value of the Deposited Property<sup>1</sup> at the time the borrowing is incurred, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in Units). As at 30 September 2018, CEREIT has gross borrowings of approximately €504.3 million, with total borrowings and deferred payments (if any) as a percentage of the Deposited Property (the “**Aggregate Leverage**”) of approximately 34.9%.

CEREIT may, from time to time, require further debt financing to achieve its investment strategies. In the event that CEREIT decides to incur additional borrowings in the future, CEREIT may face adverse consequences as a result of this limitation on future borrowings, and these may include:

- having to miss out on attractive acquisition opportunities which may be available for only a limited period of time but for which debt financing in excess of the borrowing limits would have been required;
- an inability to fund capital expenditure requirements of CEREIT's existing asset portfolio or for future acquisitions to expand its portfolio;
- a decline in the value of the Deposited Property may cause the borrowing limit to be exceeded, thus affecting CEREIT's ability to make further borrowings; and
- cash flow shortages (including with respect to distributions) which CEREIT might otherwise be able to resolve by borrowing funds.

**CEREIT may face risks associated with debt financing and the Facilities and the debt covenants could limit or affect CEREIT's operations.**

As at 30 September 2018, CEREIT has gross borrowings of approximately €504.3 million, comprising €461.1 million drawn under the Asset Financing Facilities and €43.2 million drawn under the Unsecured RCF Facility, with an Aggregate Leverage of approximately 34.9%.

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<sup>1</sup> “**Deposited Property**” means the value of CEREIT's total assets based on the latest valuation.

As a result of CEREIF's distribution policy of distributing 100.0% of CEREIF's annual distributable income for the period from the Listing Date to the end of Projection Year 2019<sup>1</sup> and thereafter, at least 90.0% of its annual distributable income for each financial year, CEREIF may not be able to meet all of its obligations to repay any future borrowings through its cash flow from operations. CEREIF may be required to repay maturing debt with funds from additional debt or equity financing or both. There is no assurance that such financing will be available on acceptable terms or at all.

If CEREIF's property is mortgaged in the future, such property could be foreclosed by the lenders or the lenders could require a forced sale of the property and utilise the proceeds therefrom to repay the principal and interest under the debt facilities, which will result in a loss of income and asset value to CEREIF.

If principal amounts due for repayment at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, CEREIF will not be able to pay distributions at expected levels to Unitholders or to repay all maturing debt.

CEREIF may be subject to the risk that the terms of any refinancing undertaken (which may arise from a change of control provision) will be less favourable than the terms of the original borrowings. The triggering of any of such covenants may have an adverse impact on CEREIF's financial condition.

CEREIF's level of borrowings represents a higher level of gearing as compared to certain other types of unit trusts, such as non-specialised collective investment schemes which invest in equities and/or fixed income instruments. If prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make commercial property loans) result in higher interest rates, the interest expense relating to such refinanced indebtedness would increase, thereby adversely affecting CEREIF's cash flow and the amount of funds available for distribution to the Unitholders. They will also adversely affect the NAV of the Units and the Manager's ability to implement its strategies.

In addition, the Asset Financing Facilities are secured by the Properties. Under the Asset Financing Facilities, upon a default, the lender or an appointed receiver could take control of the cash flow or the Property securing the defaulted Asset Financing Facility, such Property could be foreclosed by the lender and/or the lender could require a forced sale of such Property with a consequent loss of income and asset value to CEREIF.

The Asset Financing Facilities and the Unsecured RCF Facility also contain certain change of control events (including change in control events in respect of the Manager) (see "Indebtedness – Existing Borrowings" for details of the change in control events under the terms of the Asset Financing Facilities and the Unsecured RCF Facility), which if triggered, would constitute a mandatory prepayment event under the Asset Financing Facilities and Unsecured RCF Facility (as applicable) and the lender may be able to require the asset-holding SPV or AIFs (in relation to the Asset Financing Facilities), or CEREIF (in relation to the Unsecured RCF Facility) to prepay a portion of the Facilities before the maturity date, which may have an adverse impact on CEREIF's financial condition.

**Neither CEREIF nor the Manager has a long established operating history.**

CEREIF was constituted on 28 April 2017, and the Manager was incorporated on 31 January 2017. Neither CEREIF (as a REIT) nor the Manager (as the manager of the REIT) has sufficient operating histories by which their past performance may be judged. The lack of a long established

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1 "Projection Year 2019" means the period from 1 January 2019 to 31 December 2019.

operating history will make it more difficult for investors to assess CEREIT's future performance. There is no assurance that CEREIT will be able to generate sufficient revenue from operations to make distributions or that such distributions will be in line with projections.

**If the Manager's capital markets services licence for REIT management ("CMS Licence") is cancelled or the authorisation of CEREIT as a collective investment scheme under Section 286 of the SFA is suspended, revoked or withdrawn, the operations of CEREIT will be adversely affected.**

The CMS Licence issued to the Manager is subject to conditions unless otherwise cancelled. If the CMS Licence of the Manager is cancelled by the MAS, the operations of CEREIT will be adversely affected, as the Manager would no longer be able to act as the manager of CEREIT.

CEREIT was authorised as a collective investment scheme on 22 November 2017 and must comply with the requirements under the SFA and the Property Funds Appendix. In the event that the authorisation of CEREIT is suspended, revoked or withdrawn, its operations will also be adversely affected.

**Future acquisitions may not yield the returns expected and may result in disruptions to CEREIT's business, may strain management resources and may result in dilution of holdings.**

Future acquisitions may cause disruptions to CEREIT's operations and divert management's attention away from day-to-day operations.

Newly acquired properties may require significant management attention that would otherwise be devoted to CEREIT's ongoing business. Notwithstanding pre-acquisition due diligence, CEREIT does not believe that it is possible to fully understand a property before it is owned and operated for an extended period of time.

In addition, CEREIT's acquisition growth strategy and its asset selection process may not be successful and may not provide positive returns to Unitholders. There are risks associated with pursuing further acquisitions of office, light industrial/logistics and retail assets and successfully integrating them into CEREIT's portfolio. For example, the expected benefit, synergies or efficiencies from such acquisitions may take longer than expected to achieve or may not be achieved at all. In addition, future acquisitions may cause disruptions to CEREIT's operations and divert management's attention away from day-to-day operations. New Units issued as consideration for or otherwise in connection with any new acquisition could also be dilutive to existing Unitholders.

**The Manager and Property Manager are wholly-owned subsidiaries of the Sponsor. There may be potential conflicts of interest between CEREIT, the Manager and the Property Manager.**

The Sponsor is engaged in the investment in and management of, among other things, real estate in Europe and indirectly holds 558,338,114 Units constituting approximately 35.31% of the total number of Units in issue as at the Latest Practicable Date.

The Sponsor may exercise influence over the activities of CEREIT through the Manager, which is a wholly-owned subsidiary of the Sponsor. These include matters which require Unitholders' approval. Furthermore, the Property Manager is a wholly-owned subsidiary of the Sponsor.

Notwithstanding that the Sponsor has implemented corporate policies to mitigate such conflicts within the Sponsor Group, if the Property Manager were to manage a property or portfolio which competes with CEREIT's properties or portfolio, there are still risks that it may favour properties

or portfolios that the Sponsor has in its own property portfolio or which the Sponsor manages for funds invested by third parties when providing the property and property management services to CEREIT. This could lead to lower occupancy rates and/or lower the gross rental income of the Properties as a whole and adversely affect distributions to Unitholders.

**CEREIT may be unable to successfully integrate and operate acquired properties, which could have a material adverse effect on CEREIT.**

Even if CEREIT is able to make acquisitions on favourable terms, its ability to successfully integrate and operate them is subject to the following significant risks:

- it may spend more than budgeted amounts to make necessary improvements or renovations to acquired properties, as well as require substantial management time and attention;
- it may be unable to integrate new acquisitions quickly and efficiently, particularly acquisitions of operating businesses or portfolios of properties, into its existing operations;
- acquired properties may be subject to reassessment, which may result in higher than expected property tax payments;
- its tenant retention and lease renewal risks may be increased; and
- market conditions may result in higher than expected vacancy rates and lower than expected rental rates and/or higher than expected tenant incentives.

Any inability to integrate and operate acquired properties to meet CEREIT's financial, operational and strategic expectations could have a material adverse effect on CEREIT.

**CEREIT depends on certain key personnel and the loss of any key personnel may adversely affect its operations.**

CEREIT's performance depends, in part, upon the continued service and performance of the executive officers of the Manager and the Property Manager. These key personnel may leave the employment of the Manager and/or the Property Manager. If any of the above were to occur, time will need to be spent searching for a replacement and the duties for which such executive officers are responsible may be affected. The loss of any of these individuals could have a material adverse effect on the financial condition and the results of operations of CEREIT.

**CEREIT may from time to time be subject to legal proceedings and government proceedings.**

Legal proceedings against CEREIT and/or its subsidiaries relating to its properties and disputes over tenancies may arise from time to time. There can be no assurance that the Group will not be involved in such proceedings or that the outcome of these proceedings will not adversely affect the financial condition, results of operation or cash flow of CEREIT.

CEREIT is regulated by various government authorities and regulations. If any government authority believes that the Group or any of its tenants is not in compliance with the regulations, it could shut down the relevant non-compliant entity or delay the approval process, refuse to grant or renew the relevant approvals or licences, institute legal proceedings to seize CEREIT's properties, enjoin future action or (in the case of the Group not being in compliance with the regulations), assess civil and/or criminal penalties against CEREIT Group, its officers or employees. Any such action by the relevant government authority would have a material adverse effect on the business, financial condition and results of operations or cash flow of CEREIT.

**Laws, regulations and policies imposed by various government and regulatory authorities may adversely affect CEREIT.**

CEREIT's ownership, operation and rights in respect of the Corporate Entities and the Properties are subject to various laws and regulations and policies of government and regulatory authorities in Singapore, Denmark, France, Germany, Italy, Jersey, Luxembourg, the Netherlands, Finland, Poland and the United Kingdom (the "U.K.").

For example, these laws and regulations (including without limitation, restrictions on foreign ownership of the Corporate Entities and the Properties) can impose limitations on the Group's operations and plans with respect to the Corporate Entities and the Properties. Compliance with, as well as failure to comply with, such laws, regulations and policies can have an adverse effect on the business, financial condition, results of operations and prospects of CEREIT.

There may also be laws that could result in a reduction in the revenue of the Properties, for example, under the Italian Law Decree No. 66 dated 24 April 2014 concerning the costs reduction of passive leases entered into by public administration tenants ("**Public Tenants**"). Starting from 1 July 2014, all the rents paid by such Public Tenants will be reduced by 15% upon a renewal of their relevant leases. Although this reduction has already been taken into consideration in relation to 10 Properties located in Italy which are currently leased to such Public Tenants (for example, either by way of actual rental reduction or the valuations taking into consideration the effects of this law), there is no assurance that other properties held by CEREIT would not in future enter into leases with such Public Tenants that may be subject to such rental reduction, which may result in an adverse impact on the earnings of CEREIT.

**Possible change of investment strategies may adversely affect Unitholders' investments in CEREIT.**

The Manager may from time to time amend the investment strategies of CEREIT if it determines that such change is in the best interests of CEREIT and its Unitholders without seeking Unitholders' approval. In the event of a change of investment strategies, the Manager may, subject to the relevant laws, regulations and rules (including the Listing Manual), alter such investment strategies upon the expiry of three years from the Listing Date, provided that it has given not less than 30 days' prior notice of the change to the Trustee and Unitholders by way of an announcement on the SGX-ST. The methods of implementing CEREIT's investment strategies may vary as new investment and financing techniques are developed or otherwise used. Such changes may adversely affect Unitholders' investment in CEREIT.

**The outbreak of an infectious disease or any other serious public health concerns in Europe, Asia and elsewhere could adversely impact the business, financial condition and results of operations of CEREIT.**

In 2005 and 2006, outbreaks of avian influenza were reported in other parts of the world including Europe, the Middle East, Africa and Asia. Some of these outbreaks severely affected the poultry and related industries and, in addition, several cases of bird-to-human transmission of avian influenza were reported in various countries. In 2014, cases of the Middle East respiratory syndrome coronavirus (MERS-CoV) were reported in several countries, including certain countries in the Middle East, as well as the U.K. and the United States. There can be no assurance that any precautionary measures taken against infectious diseases would be effective.

The outbreak of an infectious disease such as avian influenza or MERS-CoV in Europe and elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy and business activities in Europe and could thereby adversely impact the revenues and results of CEREIT. These factors could materially and adversely affect the business, financial condition and the results of operations of CEREIT.

**CEREIT's investment strategy may entail a higher level of risk as compared to other types of unit trusts that have a more diverse range of investments.**

CEREIT's principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets in Europe that are used primarily for office, light industrial/logistics and retail purposes<sup>1</sup>, as well as real estate-related assets in connection with the foregoing, will subject CEREIT to risks inherent in concentrating in real estate. The level of risk could be higher as compared to other types of unit trusts that have a more diverse range of investments in other sectors.

A concentration of investments in real estate located in Europe and used primarily for office, light industrial/logistics and retail purposes exposes CEREIT to the risk of an economic downturn in Europe in general. Any economic slowdown in Europe could negatively affect the performance of the relevant markets in Europe. The renewal of leases in CEREIT's Properties will depend, in part, upon the success of the tenants. Any economic downturn may cause higher levels of non-renewals of leases or vacancies as a result of failures or defaults by tenants or the market pressures exerted by an increase in available space for properties used for such purposes. There can be no assurance that the tenants of CEREIT's Properties will renew their leases or that the new lease terms will be as favourable as the existing leases. In the event that a tenant does not renew its lease, a replacement tenant or tenants would need to be identified, which could subject CEREIT's Properties to periods of vacancy and/or costly refittings, during which periods CEREIT could experience reductions in rental income.

Such downturns may lead to a decline in occupancy for properties or real estate-related assets in CEREIT's portfolio. This will affect CEREIT's rental income from the Properties, and/or lead to a decline in the capital value of CEREIT's portfolio, and/or on the results of operations and the financial condition of CEREIT and the ability of CEREIT to make regular distributions to its Unitholders may be adversely affected.

**CEREIT may not be able to control or exercise any influence over entities in which it has minority interests.**

CEREIT may, in the course of acquisitions, acquire minority interests in real estate-related investment entities. There is no assurance that CEREIT will be able to exercise active control over such entities and the management of such entities may make decisions which could adversely affect the operations of CEREIT and the ability of CEREIT to make regular distributions to its Unitholders.

**CEREIT may engage in interest rate hedging transactions, which can limit gains and increase exposure to losses, and not offer full protection against interest rate and exchange rate fluctuations.**

CEREIT may enter into hedging transactions to protect itself or its portfolio from, among others, the effects of interest rate and currency exchange fluctuation on floating rate debt and interest rate and prepayment fluctuations. Hedging transactions may include entering into interest rate hedging instruments, purchasing or selling futures contracts, purchasing put and call options or entering into forward agreements.

However, these hedging activities may not always have the desired beneficial impact on the results of operations or financial condition of CEREIT. No hedging activity can completely insulate

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1 "Office" properties refer to real estate that are predominantly used for office purposes, whether in existence by themselves as a whole or as part of larger mixed-use developments, "logistics/light industrial" properties refer to real estate that are predominantly used for light industrial, warehouse, and logistics purposes, the majority of which may have an attached office component, and "retail" properties refer to real estate that are predominantly used for retail purposes.

CEREIT from risks associated with changes in interest rates and exchange rates, and changes in foreign exchange rates, for example, may negatively affect CEREIT's asset value. Moreover, interest rate hedging could fail to protect CEREIT or adversely affect CEREIT because, among others:

- the available hedging may not correspond directly with the risk for which protection is sought;
- the duration or nominal amount of the hedge may not match the duration of the related liability;
- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the counterparty on the hedge may be downgraded to such an extent that it impairs CEREIT's ability to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Downward adjustments and the significant loss in value of hedging instruments due to a write down to fair value would reduce the NAV of CEREIT.

In addition, hedging activities involve risks and transaction costs, which may reduce overall returns and possibly limit the amount of cash available for distribution to Unitholders. These costs increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. The Manager will regularly monitor the feasibility of engaging in such hedging transactions, taking into account the cost of such transactions.

**CEREIT relies on information technology in its operations, and any material failure, inadequacy, interruption or security failure of that technology could harm its business.**

CEREIT relies on information technology networks and systems, including the Internet, to process, transmit and store electronic information and to manage or support a variety of its business processes, including financial transactions and maintenance of records, which may include personally identifiable information of tenants and lease data. CEREIT relies on commercially available systems, software, tools and monitoring to provide security for processing, transmitting and storing confidential tenant information, such as individually identifiable information relating to financial accounts. Although CEREIT has taken steps to protect the security of the data maintained in its information systems, it is possible that such security measures will not be able to prevent the systems' improper functioning, or the improper disclosure of personally identifiable information such as in the event of cyber-attacks. Security breaches, including physical or electronic break-ins, computer viruses, attacks by hackers and similar breaches, can create system disruptions, shutdowns or unauthorised disclosure of confidential information. Any failure to maintain proper function, security and availability of CEREIT's information systems could interrupt its operations, damage its reputation, subject CEREIT to liability claims or regulatory penalties and could materially and adversely affect it.

**RISKS RELATING TO EUROPE**

**CEREIT may be exposed to risks associated with exchange rate fluctuations and changes in foreign exchange regulations.**

Any revenue received from the Properties is in Euros and Danish Krone. The Euros, and Danish Krone will have to be converted into Singapore dollars to settle expenses in Singapore dollars at CEREIT level and for the distribution payments from CEREIT to its Unitholders, except those

Unitholders who elect to receive their distributions in Euros in which case, the Danish Krone will have to be converted into Euros. Accordingly, Unitholders are exposed to risks associated with exchange rate fluctuations.

The value of Euros and Danish Krone against foreign currencies fluctuates and is affected by changes in Europe and international political and economic conditions and by many other factors.

The value of the distributions received by a Unitholder may be adversely affected by fluctuations in the exchange rates between Euros, Danish Krone and Singapore dollars (where applicable) and any other currencies which may be adopted from time to time. Significant fluctuations in the exchange rates between such currencies will also, among others, affect the NAV of the Units and the foreign currency value of the proceeds which a Unitholder would receive upon sale of the Units in Singapore. In addition, the forecast and projected yields and yield growth of CEREIT are calculated based on assumed exchange rates. As such, there can be no guarantee that CEREIT will achieve such forecast and projected yields and yield growth should there be differences between the actual and assumed exchange rates.

**CEREIT's properties or any part of them may be acquired compulsorily by the respective governments in the countries in which the properties are located.**

CEREIT's Properties are located across Denmark, Finland, France, Germany, Italy, the Netherlands and Poland. Under the laws and regulations of each of the aforementioned countries, there are various circumstances under which the various governments are empowered to acquire property.

For example, under the laws and regulations of Italy, there are various circumstances under which the government of the Italian Republic is empowered to acquire any of CEREIT's properties in Italy. Such expropriation procedures may be in relation to urbanisation works such as the construction of an expressway. In the event of any compulsory acquisition of property in Italy, the amount of compensation to be awarded includes, among others, compensation for the value of the property, which is based on the open market value of such property and assessed on the basis prescribed in the relevant ordinances. If any Property located in Italy is acquired compulsorily by the Italian government, the level of compensation for the property paid to the Group pursuant to this basis of calculation may be less than the price which the Group paid for such property and/or the market value of such property at the relevant time. In the event that the compensation paid for the compulsory acquisition of a property of CEREIT is less than the market value of the property, such compulsory acquisitions would have an adverse effect on the revenue of CEREIT and the value of its asset portfolio.

**The rental income of certain leases may be adjusted downwards if the relevant index drops below a certain prescribed level.**

A number of leases contain rent adjustment clauses, which provide for rent adjustments each time an index crosses or drops below a certain prescribed level. Forecasts and projections are based on the assumption that the index crosses a certain level and CEREIT would benefit from rental uplift. However, in the event that the relevant index is not crossed, CEREIT would not benefit from the potential rental uplift pursuant to such rental adjustment clause. Conversely, if the index decreases by more than the relevant prescribed level, the rent adjustment clauses may result in the rent being adjusted downwards.

## **RISKS RELATING TO GERMANY**

**Certain of the Properties located in Germany are subject to ground monument protection regulations, flooding risk and the presence of explosives onsite and may also be located in bomb-throwing areas.**

Certain of the Properties may be subject to German ground monument protection law although only parts of some of the affected Properties are actually registered as ground monuments. The reason is that ground monuments (for example, remains of prehistoric settlements) exist on neighbouring properties. Therefore, surrounding protection under German ground monument protection law must apply to the respective Properties. Against this background, if CEREIT plans to undertake any ground works that could endanger the neighbouring ground monuments, this may require approval by the competent authority. If CEREIT plans to undertake any measures connected with ground intervention on the affected Properties in the future, the Group may be required to incur additional expenses in carrying out necessary exploration and safeguarding measures or may even be prohibited from carrying out certain works due to risks of damaging the neighbouring ground monuments.

Some of the Properties are also exposed to an increased risk of flooding, physical damage to the Properties and injury to tenants and visitors resulting from floods which may lead to significant disruption to the business and operations of the tenants of these Properties, who may seek compensation or which may result in the termination of these leases, or which would result in significant cost to the Group to repair and contain the damage, all of which could in turn result in an adverse impact on the business, financial condition, results of operations and prospects of CEREIT and its ability to make distributions to Unitholders.

Further, explosive ordinances might be present in certain Properties. Such explosive ordinances include unexploded bombs from World War II which may have been buried beneath the Property. In addition, some of the Properties are also located within reported World War II bomb-throwing areas. In the event that such explosives located on the affected Properties are set off, the explosion may cause damage to the Properties which will significantly disrupt business operations and may result in an adverse impact on CEREIT's financial results.

**CEREIT may be exposed to risks associated with changes in foreign direct investment regulations.**

German law does not currently provide for any permanent currency or administrative controls on foreign investments. Foreign investors are subject to the same conditions as their German counterparts in obtaining operating licenses, securing building permits and obtaining approval for investment incentives. However, according to section 4 of the German Foreign Trade and Payments Act (*Außenwirtschaftsgesetz*), under certain circumstances, foreign trade, payments transactions and legal transactions can be restricted and obligations to act can be imposed by ordinance (for example, in order to guarantee the essential security interests of the Federal Republic of Germany or to prevent a substantial disturbance to the foreign relations of the Federal Republic of Germany). Should such a restriction be imposed in relation to Singapore, the transfer of payments such as dividends and interest from inter-company loans to CEREIT could be impeded.

Furthermore, according to Article 86 of the Introductory Act to the German Civil Code (*Einführungsgesetz zum BGB*) the government of the Federal Republic of Germany is entitled to restrict the acquisition of rights by foreigners or foreign legal entities by way of an approval requirement, if German and domestic legal entities are limited in the relevant State in the acquisition of rights and foreign policy reasons require such restriction. This does not apply to foreigners or foreign entities from member states of the European Union. However, it is not clear in German law literature whether this exception applies to foreign entities from member states of

the European Union which are held by non-European Union entities. Should such approval requirements be imposed, while it would not affect transactions that have already been completed at the time of the introduction of such requirement, this may adversely affect the ability of CEREIT to make future acquisitions in Germany.

Furthermore, restriction of capital movements (e.g. incoming rents) as a result of an embargo relating to certain areas, entities or persons may apply as a result of applicable resolutions adopted by the United Nations and the European Union.

There is no assurance that the government of the Federal Republic of Germany will not introduce additional measures to restrict foreign direct investment in Germany, or that the United Nations and the European Union will not adopt resolutions which have a similar effect. The introduction of such new measures may materially and adversely affect CEREIT's business, financial condition and results of operations.

## **RISKS RELATING TO FRANCE**

**The French Properties may fall within the scope of the ICPE regulations, which may lead to increased compliance costs incurred by CEREIT.**

The French Properties may fall within the scope of the legal and regulatory framework for industrial facilities which may entail a risk for human health and safety, protection of the natural environment, or other legally protected interests (“**ICPE**”), in particular in relation to the “1510” category relating to warehouses containing flammable materials with over 500 tons of storage (the “**ICPE Warehouse Provision**”).

The ICPE regulations state that there are three categories of compliance in relation to the ICPE Warehouse Provision, depending on the storage volume of the warehouse:

- (i) where the warehouse falls below 50,000m<sup>3</sup> of storage capacity, the activity in such warehouse must be declared to the local environmental administration;
- (ii) where the warehouse has between 50,000m<sup>3</sup> and 300,000m<sup>3</sup> of storage capacity, the activity in such warehouse must be declared to the local environmental administration, and must comply with specific legal constructive dispositions; and
- (iii) where the warehouse has more than 300,000m<sup>3</sup> of storage capacity, the warehouse would require authorisation, which would entail further constructive dispositions and an administrative approval process.

Although CEREIT specifically provided for certain quotas in the relevant lease agreements to avoid falling within the scope of the ICPE regulations, there is a risk that tenants may exceed the quotas specified in the leases, which may lead to increased compliance costs incurred by CEREIT (to the extent that such costs cannot be recovered from the tenants for non-compliance with the lease agreements).

## **RISKS RELATING TO POLAND**

### **Foreign exchange risk exposure**

By accession to European Union in 2004 Poland agreed to implement Euro as official currency, however no specific date was set, additionally the governments have not indicated any date Euro implementation so far. Polish institutional real estate market uses Euro as a rent currency. Tenants are being invoiced in Polish zloty (“**PLN**”) by applying official, central bank FX rate as of date of invoicing. Due to rents' terms of payments, CEREIT may be affected by FX changes.

Service charges are being denominated and invoiced in PLN and service providers issue invoices in PLN and hence no FX risk applies to operating costs.

### **Perpetual usufruct fees**

In addition to absolute ownership which gives title to real estate with the broadest legal rights, Polish law also recognizes rights of perpetual usufruct (“**RPU**”). These are transferable, alienable and mortgageable rights to use property. Buildings and other installations situated on land that is subject to a RPU are owned by the perpetual usufructuary. Perpetual usufruct can be granted in relation to state-owned or local-government-owned real estate for a specified period of time of between 40 and 99 years, after which it expires unless extended for another period of between 40 and 99 years.

The usufructuary is required to pay an annual fee to the state or the local government unit. If perpetual usufruct fees in Poland are increased, there can be no assurance that CEREIT will be able to pass such costs onto its tenants in the form of increased service charges as such increase might lead to a given property becoming less competitive as compared to properties not situated on land subject to perpetual usufruct fees.

**The tax authorities may seek to claim that the direct acquisition of Polish real estate constitutes a sale of an organised part of an enterprise and thus subject to civil transaction tax.**

Generally, civil transaction tax (“**PCC**”) is not applicable in Poland. However, 2% PCC may be applicable on the market value of assets (excluding liabilities) if:

1. the deal constitutes a transfer of business (in which case it is outside the scope of VAT); or
2. the deal is a pure asset deal and the asset is VAT exempt.

Generally, the sale of buildings is VAT exempt, apart from the following situations (where VAT at 23% would apply):

1. the sale of the building takes place under its first occupation, before its first occupation or within 2 years after this first occupation; or
2. the seller had the right to deduct input VAT on the acquisition of the building and incurred improvement costs of more than 30% of the initial value of the building (from which input VAT was deducted).

It is possible to waive the VAT exemption, provided certain conditions are met, such that PCC would not apply.

There is a risk that the Polish Tax Authorities may claim that transactions in relation to the direct acquisition of Polish real estate assets constitute a sale of an organised part of an enterprise rather than a sale of an asset. In such case PCC at 2% of the market value of the assets would apply, which would be an absolute cost, rather than VAT (at 23% of the market value of the assets), which would generally be expected to be recoverable depending on the activities undertaken by the purchaser. Additionally, depending on the scenario, there may be penalties imposed.

Such risk could be mitigated by obtaining an advance tax ruling from the Polish Tax Authorities where the factual circumstances described in the ruling application are aligned with the execution

of the transaction.<sup>1</sup> There may still, however, be a risk that the Polish tax Authorities post-completion of the transaction seek to requalify a positive tax ruling (i.e. a ruling where VAT applies).

## **RISKS RELATING TO INVESTING IN REAL ESTATE**

### **There are general risks attached to investments in real estate.**

Investments in real estate and therefore the income generated from the Properties are subject to various risks, including but not limited to:

- adverse changes in political or economic conditions;
- adverse local market conditions (such as over-supply of properties or reduction in demand for properties in the market in which the Group operates);
- the financial condition of tenants;
- the availability of financing such as changes in availability of debt or equity financing, which may result in an inability by CEREIT to finance future acquisitions on favourable terms or at all;
- changes in interest rates and other operating expenses;
- changes in environmental laws and regulations, zoning laws and other governmental laws, regulations and rules and fiscal policies (including tax laws and regulations);
- environmental claims in respect of real estate;
- changes in market rents;
- changes in energy prices;
- changes in the relative popularity of property types and locations leading to an over-supply of space or a reduction in tenant demand for a particular type of property in a given market; competition among property owners for tenants which may lead to vacancies or an inability to rent space on favourable terms;
- inability to renew leases or re-let space as existing leases expire;
- inability to collect rents from tenants on a timely basis or at all due to bankruptcy or insolvency of the tenants or otherwise;
- insufficiency of insurance coverage or increases in insurance premiums;
- increases in the rate of inflation;
- inability of the property manager to provide or procure the provision of adequate maintenance and other services;

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1 CEREIT has applied for a tax ruling from the Polish tax authorities in respect of the classification of the proposed acquisition of the Polish Properties, i.e. whether the transfer is considered a transfer of business (in which case non-recoverable 2% PCC is payable by CEREIT on the market value) or a transfer of individual assets and, where it is a transfer of individual assets, whether the transfer should be subject to VAT at 23% recoverable by CEREIT. A response from the Polish tax authorities would generally be expected within three months of application.

- defects affecting the Properties which need to be rectified, or other required repair and maintenance of the Properties, leading to unforeseen capital expenditure;
- the relative illiquidity of real estate investments;
- considerable dependence on cash flow for the maintenance of, and improvements to, the Properties;
- increased operating costs, including real estate taxes;
- any defects or illegal or non-compliant structures that were not uncovered or not covered by physical inspection or due diligence review;
- management style and strategy of the Manager;
- the attractiveness of CEREIT's properties to tenants;
- the cost of regulatory compliance;
- ability to rent out properties on favourable terms; and
- power supply failure, acts of God, wars, terrorist attacks, uninsurable losses and other factors.

Many of these factors may cause fluctuations in occupancy rates, rental or room rates or operating expenses, causing a negative effect on the value of real estate and income derived from real estate. The annual valuation of the Properties will reflect such factors and as a result may fluctuate upwards or downwards. The capital value of CEREIT's real estate assets may be significantly diminished in the event of a sudden downturn in real estate market prices or the economy in Europe, which may adversely affect the financial condition of CEREIT.

**CEREIT may be adversely affected by the illiquidity of real estate investments.**

CEREIT's investment strategy involves a higher level of risk, as compared to a portfolio which has a more diverse range of investments. Real estate investments are relatively illiquid and such illiquidity may affect CEREIT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, property market or other conditions. CEREIT may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. These factors could have an adverse effect on CEREIT's financial condition and results of operations, and the ability of CEREIT to make regular distributions to its Unitholders.

**CEREIT's ability to make distributions to Unitholders may be adversely affected by increases in direct expenses and other operating expenses.**

CEREIT's ability to make regular distributions to Unitholders could be adversely affected if direct expenses and other operating expenses for which tenants are not responsible pursuant to the lease agreements increase. Such operating expenses include, but are not limited to:

- compliance with laws, regulations or policies;
- direct or indirect tax policies, laws or regulations;
- sub-contracted service costs;

- labour costs; and
- repair and maintenance costs.

**The rate of increase in rentals (if any) of the Properties may be less than the inflation rate.**

The rate of increase in rentals (if any) of the Properties may be less than the inflation rate and therefore an investment in CEREIT may not provide an effective hedge against inflation.

## **RISKS ASSOCIATED WITH THE RIGHTS ISSUE**

**An active trading market may not develop for the Rights Entitlements and, if a market does develop, the Rights Entitlements may be subject to greater price volatility than the Unit.**

A trading period for the Rights Entitlements has been fixed for 28 November 2018 to 6 December 2018. There is no assurance that an active trading market for the Rights Entitlements on the SGX-ST will develop during the Rights Entitlements trading period or that any over-the-counter trading market in the Rights Entitlements will develop. Even if active markets develop, the trading price of the Rights Entitlements, which depends on the trading price of the Units, may be volatile. As the Manager may arrange for the sales of the Rights Entitlements of the Ineligible Unitholders, the sales may give pressure to the trading price of the Rights Entitlements. In addition, the market price of the Rights Entitlements may not reflect their actual value.

**Unitholders who do not or are not able to accept their provisional allotments of Rights Units will experience a dilution in their interest in CEREIT.**

If Unitholders do not or are not able to accept their provisional allotments of Rights Units, their proportionate interest in CEREIT will be reduced. They may also experience a dilution in the value of their Units. Even if a Unitholder sells his Rights Entitlements, or such Rights Entitlements are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his interest in CEREIT as a result of the Rights Issue.

In particular, Ineligible Unitholders will not be permitted to participate in the Rights Issue. The Manager may, at its absolute discretion and if it is practicable to do so, arrange for the Rights Entitlements which would otherwise have been provisionally allotted to such Ineligible Unitholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that the proceeds from such sales can at least cover the expenses to be incurred in relation thereto. There is no guarantee that such sale will be successful, and even if successful, the proceeds of any such sale may not be sufficient to compensate an Ineligible Unitholder fully for the dilution of his unitholding as a result of the Rights Issue.

**Resales of the Rights Units and the Rights Entitlements in the U.S. are subject to restrictions.**

The offering and delivery of the Rights Units and the Rights Entitlements in the US is being made to certain Eligible QIBs in private transactions not involving a public offering, in reliance on one or more exemptions from the registration requirements of the Securities Act. None of the Rights Entitlements or the Rights Units has been, or will be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the US. Accordingly, investors acquiring the Rights Entitlements or the Rights Units in the Rights Issue should note that the Rights Units and the Rights Entitlements are subject to restrictions on transfer and may only be resold or transferred in the U.S. pursuant to an exemption from, or in a transaction not subject

to, the registration requirements of the Securities Act, as set forth in more detail in the Investor Representation Letter (the form of which is attached to this Offer Information Statement as **Appendix E**).

**The Issue Price of the Rights Units is not an indication of the underlying value of the Units.**

The Issue Price of the Rights Units was determined based on the last traded price of the Units on the SGX-ST on 30 October 2018, being the last trading day of the Units on the SGX-ST prior to the release of the announcement of the Rights Issue on 30 October 2018. The Issue Price was set at a discount to the Closing Price and to the TERP at that time. The Issue Price does not bear a direct relationship to the book value of CEREIT's assets, past operations, cash flow, earnings, financial condition or any other established criteria for value, and Unitholders should not consider the Issue Price to be any indication of the Units' underlying value. The Units may trade at prices lower than the Issue Price in the future.

**The Rights Issue may cause the price of the Units to decrease, and this decrease may continue.**

The Issue Price of the Rights Units represents a discount of approximately 31.6% to the Closing Price of €0.545 per Unit and approximately 25.0% to the TERP of €0.498 per Unit. This discount, along with the number of Rights Units, may result in a decrease in the trading price of the Units and this decrease may continue after the completion of the Rights Issue.

**Unitholders need to act promptly and follow subscription instructions, otherwise their exercise of Rights Entitlements may be rejected and their Rights Entitlements may expire without value and without any compensation.**

Unitholders who desire to accept their Rights Entitlements or apply for Excess Rights Units in the Rights Issue must act promptly to ensure that all required applications, letters and payments are actually received by the relevant agents prior to the respective expiration dates and times as set forth under **Appendix B** and **Appendix C** of this Offer Information Statement. Failure to follow the procedures that apply to a Unitholder's desired transaction may lead to rejection of the Unitholder's acceptance of the Rights Entitlements and any Rights Entitlements not accepted will expire without value and without any compensation.

None of the Manager, the Unit Registrar, CDP, or the Joint Global Co-ordinators and Bookrunners undertakes to contact the Unitholder concerning, or attempt to correct, an incomplete or incorrect acceptance form, letter or payment. The Manager has sole discretion to determine whether an acceptance of Rights Entitlements and acceptance of or subscription for Rights Units properly follows the appropriate procedures. Unitholders who hold Units through a securities sub-account, brokerage account or other similar custodial account with a depository agent, broker, custodian or nominee other than CDP are urged to consult their depository agent, broker, custodian or nominee without delay regarding the procedures that they need to follow for the subscription and payment for the Rights Units.

**RISKS RELATING TO AN INVESTMENT IN THE UNITS**

**CEREIT's ability to make distributions is dependent on the financial position of the Corporate Entities. CEREIT may not be able to make distributions to Unitholders or the level of distributions may fall.**

In order for CEREIT to make distributions from the income of the Properties, CEREIT has to rely on the receipt of dividends, interest or repayments of loans (where applicable) from the Corporate Entities. There can be no assurance that these entities will have sufficient revenue and cash flows in any future period to pay dividends, pay interest or make repayments of loans.

The level of revenue, distributable profits or reserves of the Corporate Entities available to pay dividends, pay interest or make repayments of loans may be affected by a number of factors including, among other things:

- their respective business and financial positions;
- the availability of distributable profits;
- sufficiency of cash flows received from the Properties;
- applicable laws and regulations which may restrict the payment of dividends by them;
- operating losses incurred by them in any financial year;
- losses arising from a revaluation of the Properties. Such losses may become realised losses which would adversely affect the level of realised profits from which distribution may be made;
- changes in accounting standards (including standards in respect of depreciation policies relating to real estate investment properties), taxation laws and regulations, laws and regulations in respect of foreign exchange and repatriation of funds, corporation laws and regulations in respect of statutory reserves required to be maintained in Singapore and Europe;
- potential tax and/or legal liabilities;
- the extent of rent abatements and tenant improvement allowances given to tenants to attract new tenants and/or retain existing tenants, if any; and
- the terms of agreements to which they are, or may become, a party to.

There can be no assurance that these entities will have sufficient revenue and cash flows in any future period to pay dividends, pay interest or make repayments of loans. In addition, no assurance can be given as to CEREIT's ability to pay or maintain distributions or that the level of distributions will increase over time.

**Market and economic conditions may affect the market price and demand for the Units.**

Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of, and demand for, the Units.

An increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return as compared to other investments.

**The NAV per Unit may be diluted if further issues are priced below the then current NAV per Unit.**

The Trust Deed<sup>1</sup> contemplates new issues of Units, the offering price for which may be above, at or below the then current NAV per Unit. The DPU may be diluted if new Units are issued and the use of proceeds from such issue of Units generates insufficient cash flow to cover the dilution. Where new Units, including Units which may be issued to the Manager in payment of the

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<sup>1</sup> The trust deed dated 28 April 2017 constituting CEREIT entered into between the Trustee and the Manager, as amended, varied, or supplemented from time to time.

Manager's management, acquisition and/or divestment fees or to the Property Manager in payment of the property management fees, are issued at less than the NAV per Unit, the then current NAV of each existing Unit may be diluted.

**The laws and regulations in Singapore, Denmark, Finland, France, Germany, Italy, Jersey, Luxembourg, the Netherlands, Poland and the U.K. and the International Financial Reporting Standards ("IFRS") may change.**

CEREIT is a REIT constituted in Singapore and the Properties are located in Europe. The applicable laws, regulations (including tax laws and regulations in Singapore, U.K., Jersey, Germany, France, the Netherlands, Luxembourg, Italy, Denmark, Poland and Finland) which CEREIT is subject to and the IFRS are subject to change. New laws and regulations may also be introduced in these jurisdictions. As a result, CEREIT (including its financial statements) may be affected by these changes. The extent and timing of these changes in laws, regulations and accounting standards are currently unknown and subject to confirmation by the relevant authorities. The Manager has not quantified the effects of these changes and there can be no assurance that these changes will not have a significant impact on the presentation of CEREIT's financial statements or on CEREIT's results of operations. In addition, such changes may adversely affect the ability of CEREIT to make distributions to Unitholders. There can be no assurance that any such changes to laws, regulations and accounting standards will not materially and adversely affect the business, financial condition and results of operations of CEREIT.

**CEREIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs.**

CEREIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs. There is no assurance that new or revised legislation, regulations, guidelines or directives will not adversely affect REITs in general or CEREIT specifically.

Specifically, REITs in Singapore enjoy certain tax exemptions or concessions and some of these are granted for a specified period of time. These tax exemptions or concessions, whether or not for a specified period of time, are or may be subject to review by the Singapore Government. For example, REITs listed on the SGX-ST (including the REIT's wholly-owned Singapore resident subsidiaries) are currently exempt from taxation on certain foreign income derived in respect of foreign properties acquired on or before 31 March 2020. The foreign income exemption regime may not be extended, and if so, foreign income derived by CEREIT and/or its wholly-owned Singapore resident subsidiaries in respect of foreign properties acquired after 31 March 2020 may be subject to Singapore income tax. Another example is the GST remission which allows, subject to conditions, a REIT to claim back input GST on its business expenses incurred on or before 31 March 2020, even if it is not GST-registered or not eligible for GST registration. If this GST remission is not subsequently extended, CEREIT and/or its wholly-owned Singapore resident subsidiaries will not be able to claim GST incurred on its expenses if it continues not to be eligible for GST registration. There is no assurance that the Singapore Government will continue to grant the tax exemption or concessions currently available to REITs indefinitely or renew them upon their expiry. A removal of any or all of these tax exemptions or concessions may result in increased tax costs to CEREIT and/or its wholly-owned Singapore resident subsidiaries and accordingly will have an adverse impact on its financial condition and results of operations.

**Entities operating in Singapore, Denmark, Finland, France, Germany, Italy, Jersey, Luxembourg, the Netherlands, Poland and the U.K. are subject to a variety of taxes and changes in legislation or the rules relating to such tax regimes could materially and adversely affect CEREIT's business, prospects and results of operations.**

The governments of each of Singapore, Denmark, Finland, France, Germany, Italy, Jersey, Luxembourg, the Netherlands, Poland and the U.K. may in the future amend the tax legislation or

rules, regulations, guidelines and practice relating to taxation with either prospective or retroactive effect and this may affect the overall tax liabilities of the Singapore, Denmark, Finland, France, Germany, Italy, Jersey, Luxembourg, the Netherlands, Poland and U.K. entities, respectively, in the Group and result in significant additional taxes becoming payable by such entities. Such additional tax exposure could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations and consequentially may have a material adverse impact on distributions to be made by CEREIT.

**Entities operating in Denmark, Finland, France, Germany, Luxembourg and the Netherlands have available tax losses for set off against taxable income and the tax expenses in these jurisdictions may increase if the tax losses become unavailable or are fully utilised.**

Certain entities operating in Denmark, Finland, France, Germany, Luxembourg and the Netherlands have tax losses brought forward from prior years and these tax losses are under certain conditions available for set off against the relevant entities' taxable income thus reducing the tax expense in such entities. The utilisation of such tax losses is subject to various conditions set out in the applicable laws and regulations in Denmark, Finland, France, Germany, Luxembourg and the Netherlands. If any of such conditions cannot be satisfied such that the existing tax losses cannot be used to set off against the taxable income of any of the entities in Denmark, Finland, France, Germany, Luxembourg or the Netherlands, or if the tax losses are fully utilised, the tax liabilities of these entities may significantly increase and this consequentially may have an adverse impact on distributions to be made by CEREIT.

**Foreign Unitholders may not be permitted to participate in future rights issues or entitlements offerings by CEREIT.**

The Trust Deed provides that the Manager may, in its absolute discretion, elect not to extend an offer of Units under a rights issue to those Unitholders whose addresses, as registered with CDP, are outside Singapore. The rights or entitlements to the Units to which such Unitholders would have been entitled will be offered for sale and sold in such manner, at such price and on such other terms and conditions as the Manager may determine, subject to such other terms and conditions as the Trustee may impose. The proceeds of any such sale will be paid to the Unitholders whose rights or entitlements have been so sold, provided that where such proceeds payable to the relevant Unitholders are less than S\$10.00 equivalent (computed based on the prevailing exchange rate that CDP could obtain at the time of distribution), the Manager is entitled to retain such proceeds as part of the Deposited Property. The holding of the relevant holder of the Units may be diluted as a result of such sale.

**Property yield on real estate to be held by CEREIT is not equivalent to distribution yield on the Units.**

Generally, property yield depends on net property income and is calculated as the amount of revenue generated by the properties, less the expenses incurred in maintaining, operating, managing and leasing the properties compared against the current value of the properties.

Distribution yield on the Units, however, depends on the distributions payable on the Units, after taking into account other expenses including (i) taxes, (ii) interest cost for the debt facilities, (iii) the Manager's management fees, property management fee and Trustee's fees and (iv) other operating costs including administrative fees of CEREIT, as compared with the purchase price of the Units.

**The Manager is not obliged to redeem Units.**

Unitholders have no right to request that the Manager redeem their Units while the Units are listed on the SGX-ST. Unitholders may only deal in their listed Units through trading on the SGX-ST.

Accordingly, apart from selling their Units through trading on the SGX-ST, Unitholders may not be able to realise their investments in Units.

If the Units are de-listed from the SGX-ST and are unlisted on any other recognised stock exchange, the Manager may, but is not obliged to, repurchase or cause the redemption of Units more than once a year in accordance with the Property Funds Appendix and a Unitholder has no right to request the repurchase or redemption of Units more than once a year.

**There is no assurance that the Units will remain listed on the SGX-ST.**

Although it is intended that the Units will remain listed on the SGX-ST, there is no guarantee of the continued listing of the Units. Among other factors, CEREIT may not continue to satisfy the listing requirements. Accordingly, Unitholders will not be able to sell their Units through trading on the SGX-ST if the Units are no longer listed on the SGX-ST.

**Certain provisions of the Singapore Code on Take-overs and Mergers (the “Take-over Code”) could have the effect of discouraging, delaying or preventing a merger or acquisition which could adversely affect the market price of the Units.**

Under the Take-over Code, an entity is required to make a mandatory offer for all the Units not already held by it and/or parties acting in concert with it (as defined by the Take-over Code) in the event that an increase in the aggregate Unitholdings of it and/or parties acting in concert with it results in the aggregate Unitholdings crossing certain specified thresholds.

While the Take-over Code seeks to ensure an equality of treatment among Unitholders, its provisions could substantially impede the ability of Unitholders to benefit from a change in control and, as a result, may adversely affect the market price of the Units and the ability to realise any potential change of control premium.

**Third parties may be unable to recover in claims brought against the Manager as the Manager is not an entity with significant assets.**

Third parties, in particular, Unitholders, may in future have claims against the Manager in connection with the carrying on of its duties as manager of CEREIT (including in relation to the Offering, as well as the duties of the Manager to supervise the Property Manager under the Master Property and Portfolio Management Agreement<sup>1</sup>).

Under the terms of the Trust Deed, the Manager is indemnified from the Deposited Property against any actions, costs, claims, damages, expenses or demands to which it may be put as the manager of CEREIT unless occasioned by the fraud, gross negligence, wilful default or breach of the Trust Deed by the Manager. In the event of any such fraud, gross negligence, wilful default or breach, only the assets of the Manager itself and not the Deposited Property would be available to satisfy a claim, and there is no assurance that the Manager will have sufficient assets to satisfy such claims.

**The Trustee and the Manager may be unable to recover in claims brought against the Property Manager.**

The Master Property and Portfolio Management Agreement contains provisions which limit the liability of the Property Manager, which, among other things, state that the Property Manager shall not be liable to the Manager and/or the Trustee for loss of use, contracts, data, goodwill, savings, revenues, or profits (whether or not deemed to constitute direct claims) or any consequential,

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1 “Master Property and Portfolio Management Agreement” means the master property and portfolio management agreement entered into between the Trustee, the Manager and the Property Manager on 22 November 2017.

special, indirect, incidental, punitive or exemplary loss, damage or expense arising under or in connection with the Master Property and Portfolio Management Agreement.

In addition, aggregate liability of the Property Manager in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise arising in connection with the performance or contemplated performance of the Master Property and Portfolio Management Agreement or the services shall be limited to those damages which were reasonably foreseeable and subject always to a liability cap of €30,000,000.

In the event that the Trustee and/or the Manager is not able to recover all the losses which CEREIT suffers, this may materially and adversely affect the business, financial condition and results of operations of CEREIT.

## GENERAL INFORMATION

### LEGAL AND ARBITRATION PROCEEDINGS

To the best of the Manager's knowledge and belief, there are no legal or arbitration proceedings, including those which are pending or known to be contemplated, which, in the opinion of the Manager, may have or have had in the last 12 months before the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of CEREIF.

### MATERIAL CONTRACTS

There were no material contracts entered into by the Trustee or the Manager, other than contracts entered into in connection with the initial public offering and listing of CEREIF and in CEREIF's ordinary course of business, for the period two years before the date of lodgement of this Offer Information Statement, save for:

- (i) the Underwriting Agreement dated 30 October 2018 entered into between the Manager and the Joint Global Co-ordinators and Bookrunners in relation to the Rights Issue; and
- (ii) the Irrevocable Undertaking dated 30 October 2018 provided by CSHPL to the Manager and the Joint Global Co-ordinators and Bookrunners pursuant to which CSHPL will, among others, accept and/or procure that the Relevant Entities subscribe and pay in full for, its or the Relevant Entities' total provisional allotment of Rights Units.

### BREACH OF TERMS AND CONDITIONS OR COVENANTS OF CREDIT ARRANGEMENT OR BANK LOAN

To the best of the Manager's knowledge and belief, CEREIF is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect CEREIF's financial position and results or business operations, or the investments by Unitholders.

### SIGNIFICANT CHANGES

Save as disclosed in this Offer Information Statement, to the best of the Manager's knowledge and belief, no event has occurred from 30 September 2018, being the last day of the period covered by the Unaudited Financial Statements to the Latest Practicable Date, which may have a material effect on the financial position and results of CEREIF.

### TRADING OF UNITS

The Manager is not aware of any significant trading suspension on the SGX-ST for the period from the Listing Date to the day immediately preceding the Latest Practicable Date.

The Manager believes that Units are regularly traded on the SGX-ST.

### STATEMENTS BY EXPERTS

#### Independent Valuers

C&W, one of the Independent Valuers, is among the largest commercial real estate services firms, with core services of agency leasing, asset services, capital markets, facility services, global occupier services, investment & asset management, project & development services, tenant representation and valuation & advisory and was responsible for preparing an independent valuation of the New Properties. All valuations attributed to C&W in this Offer Information Statement are detailed in the Portfolio Valuation Report dated 26 October 2018, prepared by C&W (the "**Portfolio Valuation Report**") which contains the full assumptions, conditions and caveats upon which the C&W valuations of the New Properties are subject to.

The Portfolio Valuation Report is available for review at the Manager's office at 50 Collyer Quay #07-02 OUE Bayfront Singapore 049321.

The Portfolio Valuation Report was not prepared for the purpose of inclusion in this Offer Information Statement.

Colliers, the other Independent Valuer, is one of the world's largest commercial real estate firms and was responsible for preparing the independent valuations of the New Properties.

All valuations attributed to Colliers in this Offer Information Statement are detailed in the report and valuation dated 26 October 2018 in relation to the New Properties (the "**Colliers Main Report**") prepared by Colliers which contains the full assumptions, conditions and caveats upon which the Colliers valuations of the New Properties are subject to.

The Colliers Main Report is available for review at the Manager's office at 50 Collyer Quay, #07-02 OUE Bayfront, Singapore 049321.

The Colliers Main Report was not prepared for the purpose of inclusion in this Offer Information Statement.

Each of the Independent Valuers has given and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to the issue of this Offer Information Statement with the inclusion of its name as the Independent Valuer, and all statements attributed to it in the form and context in which they are included in this Offer Information Statement.

#### **CONSENTS FROM THE UNDERWRITERS**

Each of UBS AG, Singapore Branch, DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte. and Daiwa Capital Markets Singapore Limited has given, and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to being named in this Offer Information Statement as one of the Joint Global Co-ordinators and Bookrunners to the Rights Issue.

#### **AUTHORITY TO ISSUE RIGHTS UNITS**

The Manager's authority to issue the Rights Units is pursuant to the specific approval given by the Unitholders to the Manager for the issue of new Units, pursuant to the ordinary resolution obtained at the EGM of Unitholders held on 15 November 2018.

#### **MISCELLANEOUS**

CEREIT is subject to the Code on Collective Investment Schemes issued by the Authority. The Code on Collective Investment Schemes can be found on the website of the Authority at <http://www.mas.gov.sg>.

Save as disclosed in this Offer Information Statement, including the Appendices to this Offer Information Statement, the Manager is not aware of any other matters which could materially affect, directly or indirectly, the operations or financial position or results of CEREIT or investments by Unitholders.

Statements contained in this Offer Information Statement which do not state historical facts may be forward-looking statements. Such statements are based on certain assumptions and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecasts. See the section entitled "Risk Factors" of this Offer Information Statement for further details. Under no circumstances should the inclusion of such information herein be

regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Manager or any other person or that these results will be achieved or are likely to be achieved.

Other than the Rights Entitlements under the Rights Issue, none of the Unitholders has pre-emptive rights to subscribe for or purchase the Rights Units.

As there may be prohibitions or restrictions against the offering of Rights Units in certain jurisdictions (other than Singapore), only Eligible Unitholders are eligible to participate in the Rights Issue. Please refer to the section entitled “Eligibility of Unitholders to Participate in the Rights Issue” of this Offer Information Statement for further information.

## GLOSSARY

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

<b>2019 Tax Bill</b>	:	A draft bill aiming to amend the personal income tax and corporate income tax laws as of 1 January 2019 published by Poland's Ministry of Finance
<b>Acquisition Fee</b>	:	The acquisition fee payable to the Manager for the Proposed Acquisition pursuant to the Trust Deed which amounts to approximately €3.1 million (approximately S\$4.9 million) (being 1.0% of the Property Purchase Price)
<b>Acquisition Fee Units</b>	:	Units to be issued to the Manager as payment of the Acquisition Fee
<b>Aggregate Leverage</b>	:	The ratio of the value of total borrowings and deferred payments (if any) to the value of the Deposited Property
<b>AIFs</b>	:	Cromwell Europa 1 or Cromwell Europa 2
<b>Asset Financing Facilities</b>	:	Various property level financing facilities of an aggregate of €461.055 million
<b>ASX</b>	:	Australian Securities Exchange Ltd
<b>ATM</b>	:	Automated teller machine
<b>Australian Corporations Act</b>	:	Australian Corporations Act 2001 (Cth)
<b>Authority or MAS</b>	:	Monetary Authority of Singapore
<b>Bari Asset</b>	:	The property located at Corso Lungomare N.23, Bari, Italy
<b>Board</b>	:	The board of Directors of the Manager
<b>C&amp;W</b>	:	Cushman & Wakefield Debenham Tie Leung Limited
<b>CBD</b>	:	Central business district
<b>CCL</b>	:	Cromwell Corporation Limited
<b>CDP</b>	:	The Central Depository (Pte) Limited
<b>CDPT</b>	:	Cromwell Diversified Property Trust
<b>CEREIT</b>	:	Cromwell European Real Estate Investment Trust
<b>CEREIT SPV</b>	:	Cromwell SG SPV 3 Pte. Ltd.

<b>Closing Date</b>	:	12 December 2018 at 9.30 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Manager), being the last date and time for acceptance of and payment for the Rights Units
<b>Closing Price</b>	:	The closing price of €0.545 per Unit on the SGX-ST on 30 October 2018, being the last trading day of the Units prior to the announcement of the Rights Issue
<b>Colliers</b>	:	Colliers International Valuation UK LLP
<b>Companies Act</b>	:	The Companies Act, Chapter 50 of Singapore
<b>Completion</b>	:	Completion of the acquisition of the properties in the Netherlands and Finland under the Master Purchase Agreement
<b>Corporate Entities</b>	:	The property-holding entities which hold directly or indirectly the Properties
<b>CPSL</b>	:	Cromwell Property Securities Limited
<b>CSHPL</b>	:	Cromwell Singapore Holdings Pte. Ltd.
<b>C(WUMP)O</b>	:	The Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong
<b>DBS</b>	:	DBS Bank Ltd.
<b>DBS Fixed FX Rate</b>	:	The exchange rate of approximately €1.00 = S\$1.5828
<b>December 2017 Forecast</b>	:	The 1-month profit forecast for the period from 1 December 2017 to 31 December 2017 disclosed in the Prospectus
<b>Deposited Property</b>	:	The value of CEREIT's total assets based on the latest valuation
<b>Directors</b>	:	The directors of the Manager
<b>DPU</b>	:	Distribution per Unit
<b>Earn-out Amount</b>	:	The earn-out amount plus applicable taxes payable by CEREIT to the vendor of the Ivrea Asset in cash for the purchase of the Ivrea Asset
<b>EEA</b>	:	European Economic Area
<b>EGM</b>	:	Extraordinary general meeting

<b>Electronic Application</b>	:	Acceptance of the Rights Units and (if applicable) application for Excess Rights Units under the Rights Issue made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement
<b>Eligible Depositors</b>	:	Unitholders with Units standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore
<b>Eligible QIBs</b>	:	Qualified institutional buyers (as defined in Rule 144A under the Securities Act) (a) whose identities have been agreed upon by the Manager and the Joint Global Coordinators and Bookrunners, (b) who have each provided the Manager with a signed investor representation letter (in the form attached to the Offer Information Statement as <b>Appendix E</b> ), and (c) who are Eligible Depositors
<b>Eligible Unitholders</b>	:	Eligible Depositors or Eligible QIBs
<b>Enlarged Portfolio</b>	:	The Existing Portfolio and the New Properties, collectively
<b>Entitlement Letter</b>	:	The letter to Eligible Unitholders stating their respective Rights Entitlements and the mode of application for Rights Units and Excess Rights Units
<b>EPU</b>	:	Earnings per Unit
<b>EU</b>	:	European Union
<b>Excess Rights Units</b>	:	The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renounees of the Rights Entitlements or the purchasers of the Rights Entitlements
<b>Existing Portfolio</b>	:	The portfolio of properties currently held by CEREIT, comprising 75 properties located in Denmark, France, Germany, Italy and the Netherlands

<b>Existing Units</b>	:	The existing Units as at the Rights Issue Books Closure Date
<b>Facilities</b>	:	The Asset Financing Facilities and the Unsecured RCF Facility
<b>FIEA</b>	:	Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended)
<b>Finnish PE Right</b>	:	The statutory municipal pre-emption right under which the City of Helsinki has the right to acquire three of the Finnish New Properties instead of the relevant purchaser
<b>Foreign Purchasers</b>	:	Persons whose registered addresses with CDP are outside Singapore and who purchase the Rights Entitlements on the SGX-ST through the book-entry (scripless) settlement system
<b>French Acquisition</b>	:	The acquisition of the French Properties
<b>French Properties</b>	:	The French properties which form part of the Recently Announced Acquisitions
<b>French Properties Purchase Consideration</b>	:	The total purchase consideration for the French Properties of €34.4 million
<b>FY2018 Projection</b>	:	The full-year profit projection from 1 January 2018 to 31 December 2018 disclosed in the Prospectus
<b>GAAR</b>	:	General Anti-Abuse Rules
<b>Genova Asset</b>	:	The property located at Via Camillo Finocchiaro Aprile N.1, Genova, Italy
<b>Gross Rental Income</b>	:	In respect of the New Properties, the contracted rental income and estimated recoverable outgoings of the New Properties. In respect of the Existing Portfolio, the contracted rental income and estimated recoverable outgoings of the Existing Portfolio  “recoverable outgoings” means outgoings payable in relation to a New Property (e.g. council rates and charges) that are charged to the tenants of the New Properties in accordance with the terms of their lease or (as the case may be) agreement for lease. Such recoverable outgoings may include costs in relation to cleaning or the provision of security
<b>Group</b>	:	CEREIT and its subsidiaries
<b>GTCT Additional Sub-Underwriting Units</b>	:	24,329,000 of the total number of Rights Units offered under the Rights Issue

<b>GTCT Base Sub-Underwriting Units</b>	:	82,908,770 of the total number of Rights Units offered under the Rights Issue, representing the number of Rights Entitlements to which the GTCT Sub-Underwriter is entitled, and only to the extent which the GTCT Sub-Underwriter has not validly accepted, subscribed and paid for such Rights Entitlements in accordance with the terms of the Rights Issue
<b>GTCT Sub-Underwriter</b>	:	Tang Gordon @ Tang Yigang and Celine Tang @ Chen Huaidan, acting jointly and severally
<b>GTCT Sub-Underwriting Agreement</b>	:	The sub-underwriting agreement entered into between the GTCT Sub-Underwriter and the Joint Global Co-ordinators and Bookrunners in relation to the Rights Issue
<b>GTCT Sub-Underwriting Commission</b>	:	The sub-underwriting commission of 1.5% of the Issue Price multiplied by the total number of the GTCT Additional Sub-Underwriting Rights Units payable by the Joint Global Co-ordinators and Bookrunners to the GTCT Sub-Underwriter under the GTCT Sub-Underwriting Agreement
<b>GTCT Sub-Underwriting Commitment</b>	:	The commitment by the GTCT Sub-Underwriter, on the terms and conditions of the GTCT Sub-Underwriting Agreement, to subscribe and pay for the GTCT Sub-Underwriting Rights Units
<b>GTCT Sub-Underwriting Rights Units</b>	:	The GTCT Base Sub-Underwriting Units and the GTCT Additional Sub-Underwriting Units
<b>Hillsboro Additional Sub-Underwriting Units</b>	:	69,091,000 of the total number of Rights Units offered under the Rights Issue
<b>Hillsboro Base Sub-Underwriting Units</b>	:	69,091,590 of the total number of Rights Units offered under the Rights Issue, representing the number of Rights Entitlements to which the Hillsboro Sub-Underwriter is entitled, and only to the extent which the Hillsboro Sub-Underwriter has not validly accepted, subscribed and paid for such Rights Entitlements in accordance with the terms of the Rights Issue
<b>Hillsboro Sub-Underwriter</b>	:	Hillsboro Capital, Ltd.
<b>Hillsboro Sub-Underwriting Agreement</b>	:	The sub-underwriting agreement entered into between the Hillsboro Sub-Underwriter and the Joint Global Co-ordinators and Bookrunners in relation to the Rights Issue
<b>Hillsboro Sub-Underwriting Commission</b>	:	The sub-underwriting commission of 1.5% of the Issue Price multiplied by the total number of the Hillsboro Additional Sub-Underwriting Rights Units payable by the Joint Global Co-ordinators and Bookrunners to the Hillsboro Sub-Underwriter under the Hillsboro Sub-Underwriting Agreement

<b>Hillsboro Sub-Underwriting Commitment</b>	:	The commitment by the Hillsboro Sub-Underwriter, on the terms and conditions of the Hillsboro Sub-Underwriting Agreement, to subscribe and pay for the Hillsboro Sub-Underwriting Rights Units
<b>Hillsboro Sub-Underwriting Rights Units</b>	:	The Hillsboro Base Sub-Underwriting Units and the Hillsboro Additional Sub-Underwriting Units
<b>ICPE</b>	:	The legal and regulatory framework for industrial facilities which may entail a risk for human health and safety, protection of the natural environment, or other legally protected interests
<b>ICPE Warehouse Provision</b>	:	The “1510” category relating to warehouses containing flammable materials with over 500 tons of storage
<b>IFRS</b>	:	International Financial Reporting Standards
<b>Independent Market Research Consultant</b>	:	Cushman & Wakefield Debenham Tie Leung Limited
<b>Independent Valuers</b>	:	Cushman & Wakefield Debenham Tie Leung Limited and Colliers International Valuation UK LLP
<b>Ineligible Unitholders</b>	:	Unitholders who are not Eligible Unitholders
<b>Interested Party Transaction</b>	:	Has the meaning ascribed to it in the Property Funds Appendix
<b>Investor Representation Letter</b>	:	The investor representation letter in the form attached as Appendix E of this Offer Information Statement
<b>IPO Forecast</b>	:	The forecast and projection of CEREIT as set out in the Prospectus. The Prospectus disclosed the December 2017 Forecast, and the FY2018 Projection. The FY2018 Projection disclosed in the Prospectus was derived from four separate quarterly projections which in aggregate formed the FY2018 Projection. The “IPO forecast” figures referred to in this Offer Information Statement were, where not expressly disclosed in the Prospectus, derived from the December 2017 Forecast and the first, second, and third quarterly projection for the period from 1 January 2018 to 30 September 2018 which had been used by the Manager to form the FY2018 Projection
<b>Interested Person Transaction</b>	:	Has the meaning ascribed to it in Chapter 9 of the Listing Manual

<b>Irrevocable Undertaking</b>	:	The irrevocable undertaking dated 30 October 2018 provided by CSHPL to the Manager and the Joint Global Co-ordinators and Bookrunners pursuant to which, among others, it will accept and/or procure that its Relevant Entities, subscribe and pay in full for the Relevant Entities' total provisional allotments of Rights Units
<b>Issue Price</b>	:	€0.373, being the issue price per Rights Unit
<b>Italian Acquisition</b>	:	The acquisition of the Bari Asset and the Genova Asset
<b>Italian Diversified Portfolio Properties</b>	:	The 14 Italian properties of the initial portfolio of CEREIT
<b>Italian Earn-out Amount</b>	:	The earn-out amount plus applicable taxes payable by CEREIT to the Italian Properties vendor or any entity to which the Italian Properties vendor has assigned its rights in cash for the purchase of the Italian Properties
<b>Italian Properties</b>	:	The Bari Asset and the Genova Asset
<b>Italian Properties Purchase Consideration</b>	:	The total purchase consideration for the Italian Properties of €37.5 million
<b>Ivrea Asset</b>	:	The property at 13 Via Jervis, Ivrea, Italy
<b>Joint Global Co-ordinators and Bookrunners</b>	:	UBS AG, Singapore Branch, DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte. and Daiwa Capital Markets Singapore Limited, as joint global co-ordinators and bookrunners in relation to the Rights Issue
<b>Latest Practicable Date</b>	:	19 November 2018, being the latest practicable date prior to the lodgement of this Offer Information Statement with the Authority
<b>LFA</b>	:	Lettable floor area
<b>Listing Date</b>	:	30 November 2017, being the date of listing of CEREIT on the Main Board of the SGX-ST
<b>Listing Manual</b>	:	The Listing Manual of the SGX-ST
<b>Manager</b>	:	Cromwell EREIT Management Pte. Ltd., as manager of CEREIT
<b>Market Day</b>	:	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading
<b>Master Property and Portfolio Management Agreement</b>	:	The master property and portfolio management agreement entered into between the Trustee, the Manager and the Property Manager on 22 November 2017

<b>Master Purchase Agreement or MPA</b>	:	The master share and asset sale and purchase agreement dated 30 October 2018 entered into between the Vendors and CEREIT SPV in respect of properties of CEREIT
<b>Material Adverse Change</b>	:	Either (a) any of the Target Properties are damaged to the extent that rental income in respect of that Target Property is reduced by 30% or more; and either (i) there is not an insurance policy in place to cover the loss of rental income for a period of 36 months; or (ii) the damage cannot be repaired within 24 months; or (b) an occupational tenant by reason of insolvency is unable to pay rent which has the consequence of reducing the rental income received in respect of any Target Property by 30% or more (and provided such rent is not guaranteed)
<b>Material Breach</b>	:	In respect of the CEREIT SPV, if it fails to comply with its payment obligations and in respect of the Vendors, if it fails to meet its obligations to provide the documents necessary to transfer all of its relevant sale interests and/or deliver other material deliverables
<b>MREC</b>	:	Mutual real estate companies
<b>NAV</b>	:	Net asset value
<b>Net Initial Yield</b>	:	The average of the Independent Valuers' annualised current Passing Rental Income net of non-recoverable property expenses, divided by the Property Purchase Price
<b>Net Property Income</b>	:	Gross Rental Income less property operating expenses
<b>New Properties</b>	:	The 16 properties located in the Netherlands, Finland and Poland, proposed to be acquired by CEREIT. The New Properties comprise 2 properties in the Netherlands, 11 properties in Finland and 3 properties in Poland
<b>NTA</b>	:	Net tangible asset
<b>OCBC</b>	:	Oversea-Chinese Banking Corporation Limited
<b>Offer Information Statement</b>	:	This offer information statement to Unitholders dated 23 November 2018
<b>Ownership Condition</b>	:	The conditions to which completion of the Proposed Acquisition is subject to under the Master Purchase Agreement
<b>Participating Banks</b>	:	The banks as set out in <b>Appendix D</b> of this Offer Information Statement

<b>Participating Bank's Refund Foreign Exchange Rate</b>	:	The relevant foreign exchange rates used by each of the Participating Banks to determine the amount of Singapore dollars refundable, which for Eligible Unitholders who made Electronic Applications through ATMs of DBS (including POSB) means the DBS Fixed FX Rate and for Eligible Unitholders who made Electronic Applications through ATMs of OCBC and UOB means the respective bank's prevailing board rate at the time of refund
<b>Participating Bank's Foreign Exchange Rate</b>	:	The relevant foreign exchange rates used by each of the Participating Banks to determine the amount of Singapore dollars payable, which for DBS (including POSB) means the DBS Fixed FX Rate and for OCBC and UOB means the respective bank's prevailing board rate at the time of application
<b>Passing Rental Income</b>	:	The annualised rental income being received as at a certain date, excluding the net effects of amortisation of lease incentives
<b>PCC</b>	:	Civil transaction tax
<b>Permitted EEA Jurisdictions</b>	:	The EEA jurisdictions in which the UK AIFM is permitted to market units to investors
<b>PLN</b>	:	Polish zloty
<b>Poland Completion</b>	:	Completion of the acquisition of each Polish Target Property
<b>Polish PE Right</b>	:	The pre-emption right under which the Polish State Treasury has the right to acquire the riverside Polish Target Property instead of the CEREIT SPV
<b>Portfolio Valuation Report</b>	:	The Portfolio Valuation Report dated 26 October 2018 prepared by C&W
<b>Projection Year 2019</b>	:	The period from 1 January 2019 to 31 December 2019
<b>Properties</b>	:	The properties comprising CEREIT's Enlarged Portfolio, the Italian Properties and the French Properties
<b>Property Funds Appendix</b>	:	Appendix 6 of the Code on Collective Investment Schemes issued by the Authority
<b>Property Manager</b>	:	Cromwell Europe Limited
<b>Property Purchase Price</b>	:	The agreed aggregate purchase price for the New Properties of approximately €312.5 million
<b>Proposed Acquisition</b>	:	The proposed acquisition of the New Properties

<b>Proposed Acquisition Purchase Consideration</b>	:	The purchase consideration of approximately €308.8 million payable to the Vendors in respect of the Target Companies under the Master Purchase Agreement
<b>Proposed Transaction</b>	:	The Proposed Acquisition, the proposed Rights Issue, the proposed payment of the GTCT Sub-Underwriting Commission to the GTCT Sub-Underwriter and the proposed payment of the Hillsboro Sub-Underwriting Commission to the Hillsboro Sub-Underwriter
<b>Prospectus</b>	:	The prospectus dated 22 November 2017 in connection with the listing of CEREIT on the SGX-ST
<b>Purchaser</b>	:	Purchaser and/or transferee of Rights Entitlements
<b>QIBs</b>	:	Qualified institutional buyers as defined in Rule 144A under the Securities Act
<b>REC</b>	:	Ordinary real estate companies
<b>Recently Announced Acquisitions</b>	:	The announced acquisitions of the following properties located at (i) 13 Via Jervis, Ivrea, Italy; (ii) Corso Lungomare Trieste N.29, Bari, Italy; (iii) Via Camillo Finocchiaro Aprile N.1, Genova, Italy; (iv) 54 Avenue de Savigny, Aulnay-sous-bois, France; (v) 46-48 Boulevard Dequevauvilliers, Gennevilliers, France; (vi) 105 Route d'Orléans, Sully-sur-Loire, France; (vii) ZI du Papillon, Parçay Meslay, France; and (viii) Rue Charles Nicolle, Villeneuve-lès-Béziers, France
<b>Regulation S</b>	:	Regulation S of the Securities Act
<b>SFO</b>	:	The Securities and Futures Ordinance (Cap. 571) of Hong Kong
<b>REIT</b>	:	Real estate investment trust
<b>Related Party Transaction</b>	:	An Interested Person Transaction and/or an Interested Party Transaction
<b>Relevant Entities</b>	:	The related corporations of CSHPL
<b>Rental Income</b>	:	The monthly headline rent and service charge
<b>Reversionary Yield</b>	:	The average of the Independent Valuers' estimated market rental income per annum net of non-recoverable property expenses, divided by the Property Purchase Price
<b>Rights Entitlements</b>	:	The provisional allotments of Rights Units to Eligible Unitholders under the Rights Issue

<b>Rights Issue</b>	:	The issue of new Units on a renounceable basis to Eligible Unitholders on the basis of the Rights Ratio at the Issue Price
<b>Rights Issue Books Closure Date</b>	:	5.00 p.m. on 23 November 2018 being the time and date on which the Transfer Books and Register of Unitholders are closed to determine the Rights Entitlements of Eligible Unitholders under the Rights Issue
<b>Rights Ratio</b>	:	The rights ratio of 38 Rights Units for every 100 existing Units standing to the credit of an Eligible Unitholders' Securities Account as at the Rights Issue Books Closure Date
<b>Rights Units</b>	:	The new Units to be issued by the Manager pursuant to the Rights Issue
<b>RPU</b>	:	Rights of perpetual usufruct
<b>Securities Account</b>	:	A securities account maintained by a Depositor (as defined in Section 130A of the Companies Act) with CDP (but does not include securities sub-accounts)
<b>Securities Act</b>	:	US Securities Act of 1933, as amended
<b>SFA</b>	:	Securities and Futures Act, Chapter 289 of Singapore
<b>SGX-ST</b>	:	Singapore Exchange Securities Trading Limited
<b>Sponsor</b>	:	Cromwell Property Group
<b>Sponsor Group</b>	:	The Sponsor and its subsidiaries
<b>sq m</b>	:	Square metre
<b>SRS</b>	:	Supplementary Retirement Scheme
<b>SRS Account</b>	:	An account opened by a participant in the SRS from which money may be withdrawn for, <i>inter alia</i> , payment of the Issue Price of the Rights Units and/or, Excess Rights Units
<b>SPVs</b>	:	The property-holding special purpose vehicles
<b>Substantial Unitholders</b>	:	Unitholders with interests in not less than 5.0% of all Units in issue

<b>Target Companies</b>	:	(i) Peacock Real Estate B.V. (company number: 34271151) (Netherlands); (ii) Vioto Oy (company number: 2535102-6) (Finland); (iii) Liiketalo Myyrinraitti Oy (company number: 0575996-4) (Finland); (iv) Artemis Acquisition Finland Oy (company number: 2829098-6) (Finland); (v) Kiinteistö Oy Pakkalan Kartanonkoski 3 (company number: 0747925-3) (Finland); (vi) Kiint. Oy Pakkalan Kartanonkoski 12 (company number: 0747938-4) (Finland); (vii) Kiinteistö Oy Plaza Forte (company number: 1545879-4) (Finland); and (viii) Yrityspuiston Autopaikat Oy (company number: 0747928-8) (Finland)
<b>Target Properties</b>	:	The properties located at (i) Moeder Teresalaan 100-200, Utrecht, The Netherlands; (ii) Mäkitorpantie 3b, Helsinki, Finland; (iii) Myyrmäenraitti 2, Vantaa, Finland; (iv) Kauppakatu 39, Kuopio, Finland; (v) ul. Fabryczna 5 and 5A, Warsaw, Poland; (vi) ul. Grojecka 5, Warsaw, Poland and (vii) ul. Ulica Arkonska 6, Gdansk, Poland
<b>Take-over Code</b>	:	Singapore Code on Take-overs and Mergers
<b>TERP</b>	:	The theoretical ex-rights price of €0.498 per Unit which is calculated as follows:
		$\text{TERP} = \frac{\text{Market capitalisation of CERET based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Units outstanding immediately after the Rights Issue}}$
<b>TI Lease</b>	:	The leases that have not been completed by Completion
<b>Total Cost of the Proposed Transaction</b>	:	The total cost of the Proposed Transaction of approximately €329.7 million (approximately S\$518.5 million)
<b>Total Cost of the Recently Announced Acquisitions</b>	:	The total cost of the Recently Announced Acquisitions of approximately €95.6 million (approximately S\$150.4 million)
<b>Total French Acquisition Cost</b>	:	The total cost of the French Acquisition estimated to be approximately €38.0 million
<b>Total Italian Acquisition Cost</b>	:	The total cost of the Italian Acquisition estimated to be approximately €39.7 million
<b>Transfer Documents</b>	:	The transfer documents pursuant to which the transfers of the Target Properties and the shares in the Target Companies are completed
<b>Trust Deed</b>	:	The trust deed dated 28 April 2017 constituting CERET entered into between the Trustee and the Manager, as amended, varied, or supplemented from time to time

<b>Trustee</b>	:	Perpetual (Asia) Limited, as trustee of CEREIT
<b>U.K.</b>	:	United Kingdom
<b>UK AIFM</b>	:	Cromwell Investment Services Limited
<b>Unaudited Financial Statements</b>	:	The unaudited financial statements of CEREIT for the financial period from the Listing Date to 30 September 2018
<b>Underwriting Agreement</b>	:	The underwriting agreement entered into between the Manager and the Joint Global Co-ordinators and Bookrunners on 30 October 2018 (as amended)
<b>Underwriting Commission</b>	:	The underwriting commission of 2.0% of the Issue Price multiplied by the total number of Underwritten Rights Units and up to 0.5% of the Issue Price, payable at the sole discretion of the Manager, multiplied by the total number of Underwritten Rights Units
<b>Underwritten Rights Units</b>	:	The total number of Rights Units excluding the Rights Units which are the subject of the Irrevocable Undertaking
<b>Unit</b>	:	A unit representing an undivided interest in CEREIT
<b>Unit Registrar</b>	:	Boardroom Corporate & Advisory Services Pte. Ltd.
<b>Unit Share Market</b>	:	The ready market of the SGX-ST for trading of odd lots of Units with a minimum size of one Unit
<b>United States or US</b>	:	United States of America
<b>Unitholder</b>	:	A holder of Units
<b>Unsecured RCF Facility</b>	:	An unsecured revolving credit facility for €100.0 million
<b>UOB</b>	:	United Overseas Bank Limited
<b>Vendors</b>	:	ELQ Holdings (Del) LLC, ELQ Investors VI Ltd, ELQ Omega UK Ltd, Sivipre Oy, Henry Investment Oy, Artemis Acquisition Poland S.a r.l, Hummingbird B.V.
<b>WALE</b>	:	Weighted average lease expiry
<b>WHT</b>	:	Withholding tax
<b>%</b>	:	Per centum or percentage

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

The terms “Depositor” and “Depository Agent” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term “subsidiary” shall have the meaning ascribed to it in Section 5 of the Companies Act. Any references to the Manager shall refer to it acting in its capacity as manager of CEREIT, unless the context of the statement otherwise requires.

Any reference in this Offer Information Statement, the Entitlement Letter to any enactment is a reference to that enactment for the time being amended or re-enacted. Any words defined in the Companies Act, the SFA, the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005, the Code on Collective Investment Schemes issued by the Authority, the Property Funds Appendix, the Listing Manual or any modification thereof and used in this Offer Information Statement and the Entitlement Letter shall, where applicable, have the same meaning ascribed to it in the Companies Act, the SFA, the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005, the Code on Collective Investment Schemes issued by the Authority, the Property Funds Appendix, the Listing Manual or such modification thereof, as the case may be, unless otherwise provided.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to dates and to a time of day in this Offer Information Statement shall be a reference to Singapore dates and time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to an appropriate number of decimal places, where applicable.

## CERTAIN FINANCIAL INFORMATION RELATING TO CEREIF

Selected financial data from the Unaudited Financial Statements including the line items in the statements of total return and distribution statements, consolidated balance sheets and cash flow statements of CEREIF, is set out in this Appendix. Financial data relating to (i) DPU, (ii) EPU, (iii) EPU after adjustment for the issuance of the Rights Units, (iv) NAV per Unit and (v) NAV per Unit after any adjustment to reflect the issuance of the Rights Units is also set out below.

Such selected financial data should be read together with the relevant notes to the Unaudited Financial Statements, where applicable, which are available on the website of CEREIF at <http://www.cromwelleuropeanreit.com.sg> and are also available for inspection during normal business hours at the registered office of the Manager at 50 Collyer Quay, #04-08 OUE Bayfront, Singapore 049321, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement<sup>1</sup>.

Save for the Unaudited Financial Statements which are deemed incorporated into this Offer Information Statement by reference, the information contained on the website of CEREIF does not constitute part of this Offer Information Statement.

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<sup>1</sup> Prior appointment with the Manager will be appreciated.

## Consolidated Statement of Total Return and Distribution Statement

	<b>Actual Listing Date to 30-Sep-18 €'000</b>
Gross revenue	104,298
Property operating expense	(35,047)
<b>Net property income</b>	<b>69,251</b>
Net finance costs	(8,838)
Manager's fees	(2,762)
Trustee fees	(120)
Trust expenses	(3,458)
<b>Net income before tax and fair value changes</b>	<b>54,073</b>
Fair value gain – investment properties	31,368
Fair value loss – derivative financial instruments	(200)
<b>Total return for the period before tax</b>	<b>85,241</b>
Income tax expense	(23,667)
<b>Total return for the period attributable to Unitholders</b>	<b>61,574</b>
Distribution adjustments	(4,422)
<b>Income available for distribution to Unitholders</b>	<b>57,152</b>
<b>DPU (€ cents)</b>	
DPU	3.61
<b>EPU (€ cents)</b>	
EPU	3.90
Restated EPU <sup>1</sup>	3.56
Adjusted EPU <sup>2</sup>	2.83

<sup>1</sup> Restated EPU reflects the bonus element in the Rights Issue

<sup>2</sup> Adjusted EPU is calculated based on the assumption that the Rights Issue was completed at the Listing Date and without taking into account any income from the assets to be acquired with the proceeds from the Rights Issue.

## Consolidated Balance Sheet

As at 30-Sep 2018  
€'000

<b>Current assets</b>	
Cash and cash equivalents	33,875
Receivables	9,295
Current tax assets	309
<b>Total current assets</b>	<b>43,479</b>
<b>Non-current assets</b>	
Investment properties	1,389,407
Receivables	719
Derivative financial instruments	57
Deferred tax assets	12,624
<b>Total non-current assets</b>	<b>1,402,807</b>
<b>Total assets</b>	<b>1,446,286</b>
<b>Current liabilities</b>	
Payables	18,773
Current tax liabilities	1,798
Derivative financial instruments	31
Other current liabilities	17,457
<b>Total current liabilities</b>	<b>38,059</b>
<b>Non-current liabilities</b>	
Payables	1,240
Borrowings	499,058
Derivative financial instruments	169
Deferred tax liabilities	22,636
Other non-current liabilities	13,000
<b>Total non-current liabilities</b>	<b>536,103</b>
<b>Total liabilities</b>	<b>574,162</b>
<b>Net assets attributable to Unitholders</b>	<b>872,124</b>
Represented by:	
<b>Unitholders' funds</b>	<b>872,124</b>
<b>Number of Units in Issue</b>	<b>Units</b>
Units in Issue at 30 September 2018	1,577,293,739
Adjusted Units in issue	2,181,977,773
<b>NAV per Unit</b>	<b>€ cents</b>
NAV per Unit as reported	55.3
Adjusted NAV per Unit <sup>1</sup>	50.3

### Note:

- (1) Based on the assumption that (i) Rights Issue was completed and 600,834,459 Rights Units issued on the last day of the respective period (being 30 September 2018), and (ii) the entire gross proceeds of €224.1 million from the Rights Issue were kept as cash for CEREIT.

## Consolidated Statement of Cash Flows

	Total 30-Nov-17 to 30-Sep-18 €'000
<b>Cash flows from operating activities</b>	
Total return for the financial period	61,574
<i>Adjustments for:</i>	
Amortisation of lease costs and incentives	(3,510)
Effect of recognising rental income on a straight-line basis over the lease term	(860)
Amortisation of debt issuance costs	2,030
Manager's fees paid in CEREIT units	2,762
Property manager's fees paid in CEREIT units	3,217
Income tax expense	22,448
Tax paid	(1,326)
Change in fair value of investment properties	(31,368)
Change in fair value of derivative financial instruments	200
Net foreign exchange gain	(107)
<i>Changes in operating assets and liabilities:</i>	
(Increase)/decrease in:	
Receivables	(6,649)
Other assets	5,096
Increase in:	
Payables	2,955
Other liabilities	4,635
<b>Net cash provided by operating activities</b>	<b>61,097</b>
<b>Cash flows from investing activities</b>	
Payments for acquisitions of subsidiaries, net of cash	(374,330)
Payments for acquisition of investment properties	(435,004)
Payments for capital expenditure on investment properties	(5,463)
<b>Net cash used in investing activities</b>	<b>(814,797)</b>
<b>Cash flows from financing activities</b>	
Proceeds from IPO issuance of CEREIT Units	757,978
Proceeds from bank borrowings	310,700
Repayment of bank borrowings	(228,066)
Payment of equity issue transaction costs	(19,207)
Payment for debt issuance costs	(5,681)
Payment to acquire derivative financial instruments	(57)
Payment for settlement of derivative financial instruments	(964)
Distributions paid to Unitholders	(39,906)
<b>Net cash provided by financing activities</b>	<b>774,797</b>
<b>Net increase in cash and cash equivalents</b>	<b>21,097</b>
Cash and cash equivalents at Listing Date	12,776
Effects of exchange rate changes on cash and cash equivalents	2
<b>Cash and cash equivalents at 30 September 2018</b>	<b>33,875</b>

## PROCEDURES FOR ACCEPTANCE, PAYMENT, RENUNCIATION AND EXCESS APPLICATION BY ELIGIBLE UNITHOLDERS

### 1. INTRODUCTION

- 1.1 Eligible Unitholders are entitled to receive this Offer Information Statement and the Entitlement Letter which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Eligible Unitholder is a Depository Agent, be taken to include an application made via the SGX-SFG Service.
- 1.2 The Rights Entitlements are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Trust Deed and the instructions in the Entitlement Letter.

The number of Rights Entitlements allotted to each Eligible Unitholder is indicated in the Entitlement Letter (fractional entitlements (if any) having been disregarded). The Securities Accounts of Eligible Unitholders have been credited by CDP with the Rights Entitlements as indicated in the Entitlement Letter. Eligible Unitholders may accept their Rights Entitlements in whole or in part and are eligible to apply for Excess Rights Units under the Rights Issue. Full instructions for the acceptance of and payment for the Rights Entitlements and payment for Excess Rights Units are set out in the Offer Information Statement as well as the Entitlement Letter.

- 1.3 If an Eligible Unitholder wishes to accept his Rights Entitlements specified in the Entitlement Letter, in full or in part, and (if applicable) apply for Excess Rights Units in addition to the Rights Entitlements allotted to him, he may only do so by way of an Electronic Application.

**AN ELIGIBLE UNITHOLDER MAY ACCEPT HIS RIGHTS ENTITLEMENTS SPECIFIED IN HIS ENTITLEMENT LETTER AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS UNITS BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK AS DESCRIBED BELOW. WHERE AN ELIGIBLE UNITHOLDER IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SFG SERVICE.**

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement and/or the Entitlement Letter, or does not comply with the instructions for Electronic Application, the Manager and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Manager and CDP shall be entitled to process each application submitted for the acceptance of Rights Entitlements, and where applicable, application of Excess Rights Units in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Eligible Unitholder, on its own, without regard to any other application and payment that may be submitted by the same Eligible Unitholder. For the avoidance of doubt, evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units.

- 1.4 **SRS investors who had purchased Units using their SRS Accounts and who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf. Such Unitholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and/or apply for Excess Rights Units. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made through Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the Rights Entitlements directly from the market.**
- 1.5 Unless expressly provided to the contrary in this Offer Information Statement and/or the Entitlement Letter with respect to enforcement against Eligible Unitholders or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement or the Entitlement Letter has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

## **2. MODE OF ACCEPTANCE AND APPLICATION**

### **2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank**

Instructions for Electronic Applications through ATMs to accept the Rights Entitlements or (if applicable) to apply for Excess Rights Units will appear on the ATM screens of the respective Participating Banks. Please refer to **Appendix C** of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank. Eligible Unitholders making Electronic Applications through ATMs will pay the application monies in Singapore dollars based on the respective Participating Bank's Foreign Exchange Rate at the time of application.

For applications through ATMs of DBS (including POSB), the ATMs will show an issue price of S\$0.5904 for each Rights Unit (based on the DBS Fixed FX Rate of approximately €1.00 = S\$1.5828). Any refund monies for Eligible Unitholders who make Electronic Applications through ATMs of DBS (including POSB) will be credited in Singapore dollars based on the DBS Fixed FX Rate.

For applications through ATMs of OCBC and UOB, the ATMs will show an issue price of €0.373 for each Rights Unit and applicants will pay the application monies in Singapore dollars based on the respective bank's prevailing board rate at the time of application. Any refund monies for Eligible Unitholders who make Electronic Applications through ATMs of OCBC and UOB will be credited in Singapore dollars based on the respective Participating Bank's Refund Foreign Exchange Rate. The different prevailing board rate at the time of application and at the time of refund of the application monies will result in either a foreign exchange profit or loss to such application monies.

**IF AN ELIGIBLE UNITHOLDER MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN SINGAPORE DOLLARS AT THE PARTICIPATING BANK'S FOREIGN EXCHANGE RATE AT THE TIME OF ACCEPTANCE IN RESPECT OF SUCH APPLICATION.**

**FOR SRS INVESTORS AND INVESTORS WHO HOLD UNITS THROUGH FINANCE COMPANIES OR DEPOSITORY AGENTS, ACCEPTANCES OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATIONS FOR EXCESS RIGHTS UNITS MUST BE DONE THROUGH THE RELEVANT APPROVED BANKS IN WHICH THEY HOLD THEIR SRS ACCOUNTS AND THE RESPECTIVE FINANCE COMPANIES OR DEPOSITORY AGENTS, RESPECTIVELY. SUCH INVESTORS ARE ADVISED TO PROVIDE THEIR RESPECTIVE BANKS IN WHICH THEY HOLD THEIR SRS ACCOUNTS, FINANCE COMPANIES OR DEPOSITORY AGENTS, AS THE CASE MAY BE, WITH THE APPROPRIATE INSTRUCTIONS NO LATER THAN THE DEADLINES SET BY THEM IN ORDER FOR SUCH INTERMEDIARIES TO MAKE THE RELEVANT ACCEPTANCE AND (IF APPLICABLE) APPLICATION ON THEIR BEHALF BY THE CLOSING DATE. ANY ACCEPTANCE AND/OR APPLICATION MADE THROUGH ELECTRONIC APPLICATIONS AT ATMS OF PARTICIPATING BANKS, THE UNIT REGISTRAR AND/OR THE MANAGER WILL BE REJECTED.**

**WHERE AN ELIGIBLE UNITHOLDER IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE VIA THE SGX-SFG SERVICE.**

## **2.2 Acceptance through the SGX-SFG Service (for Depository Agents only)**

Depository Agents may accept Rights Entitlements and (if applicable) apply for Excess Rights Units through the SGX-SFG Service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Manager to receive acceptances and (if applicable) applications on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and subject to each of the terms and conditions contained in the Entitlement Letter and the Offer Information Statement.

## **2.3 Acceptance of Part of Rights Entitlements and Trading of Rights Entitlements**

An Eligible Unitholder may choose to accept his Rights Entitlements specified in the Entitlement Letter in full or in part. If an Eligible Unitholder wishes to accept part of his Rights Entitlements and trade the balance of his Rights Entitlements on the SGX-ST, he should accept and subscribe for that part of his Rights Entitlements by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.2 above.

The balance of his Rights Entitlements may be sold as soon as dealings therein commence on the SGX-ST.

Eligible Unitholders who wish to trade all or part of their Rights Entitlements on the SGX-ST during the Rights Entitlements trading period should note that the Rights Entitlements will be tradable in board lots of 1 Rights Entitlement or 100 Rights Entitlements, or any other board lot size which the SGX-ST may require. Such Eligible Unitholders may start trading in their Rights Entitlements as soon as dealings therein commence on the SGX-ST. Eligible Unitholders who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the Rights Entitlements trading period.

## 2.6 Sale of Rights Entitlements

The Entitlement Letter need not be forwarded to the purchasers and/or transferees of the Rights Entitlements (“**Purchasers**”) as arrangements will be made by CDP for a separate Entitlement Letter to be issued to the Purchasers. Purchasers should note that CDP will, on behalf of the Manager, send the Entitlement Letter, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS’ OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers who do not receive the Entitlement Letter, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Unit Registrar, for the period up to **5.00 p.m. on 12 December 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

Purchasers should also note that if they make any purchase on or around the last trading day of the nil-paid Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Entitlements. You may obtain a copy from CDP.

Purchasers must accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are outside Singapore. Subject to compliance with applicable laws, Foreign Purchasers who wish to accept the Rights Entitlements credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

**PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH RIGHTS ENTITLEMENTS ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS ENTITLEMENTS REPRESENTED BY THE RIGHTS ENTITLEMENTS PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE RIGHTS ENTITLEMENTS ON THEIR BEHALF.**

## 2.7 Renunciation of Rights Entitlements

Eligible Unitholders who wish to renounce in full or in part their Rights Entitlements in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of Rights Entitlements which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Eligible Unitholders who wish to renounce their Rights Entitlements are advised to do so early to allow sufficient time for CDP to send the Entitlement Letter and other accompanying documents, for and on behalf of the Manager, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP, and for the renounee to accept his Rights Entitlements. The last date and time for acceptance of the Rights Entitlements and payment for the Rights Units by the renounee is **9.30 p.m. on 12 December 2018** (for Electronic Applications through ATMs) and **5.00 p.m. on 12 December 2018** (for depository agents submitting through SGX-SFG) (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

## 2.8 Acceptance/Application using SRS Funds

**Unitholders with SRS Accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Units.**

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies will need to instruct the relevant approved banks in which they hold their SRS Accounts (“**SRS Banks**”) to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf and make sure that they have sufficient funds in their SRS Accounts to pay for the number of Rights Units (including, if applicable, the Excess Rights Units) for which they intend to subscribe. They may also partially accept their Rights Entitlements and/or instruct their respective brokers to sell their Rights Entitlements held under their SRS Accounts during the Rights Entitlements trading period on the SGX-ST.

Unitholders who have insufficient funds in their SRS Accounts to fully accept their Rights Entitlements and/or apply for Excess Rights Units and who have:

- (a) **not reached their SRS contribution cap** may, subject to the SRS contribution cap, deposit cash into their SRS Accounts and (i) instruct their respective SRS Banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf, to the extent of the funds available in their SRS Accounts, and/or (ii) to the extent that there are insufficient funds in their SRS Accounts after the said deposit to fully accept their Rights Entitlements, instruct their respective brokers to sell their Rights Entitlements during the Rights Entitlements trading period on the SGX-ST.
- (b) **reached their SRS contribution cap** may instruct their respective SRS Banks to (i) accept their Rights Entitlements and (if applicable) apply for Excess Rights Units to the extent of the funds available in their SRS Accounts, and/or (ii) to the extent that there are insufficient funds in their SRS Accounts to fully accept their Rights Entitlements, instruct their respective brokers to sell their Rights Entitlements during the Rights Entitlements trading period on the SGX-ST.

If a Unitholder instructs the relevant SRS Bank to subscribe for Rights Units and (if applicable) apply for Excess Rights Units offered under the Rights Issue and he does not have sufficient funds in his SRS Account to pay for the number of Rights Units which he intends to subscribe, his acceptance of Rights Entitlements under the Rights Issue and, if applicable, application for Excess Rights Units will be made in part to the extent of the funds available in his SRS Account with the balance rejected.

**SRS monies may not be used for the purchase of Rights Entitlements directly from the market.**

**Any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units made by the above-mentioned Unitholders through Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected.**

## 2.9 Acceptance/Application via Finance Company and/or Depository Agent

Unitholders who hold Units through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

**Any acceptance and (if applicable) application made by the above-mentioned Unitholders through Electronic Applications at ATMs of Participating Banks, the Unit Registrar and/or the Manager will be rejected.**

## **2.10 Return of Surplus Application Monies**

In the case of applications for Excess Rights Units, if no Excess Rights Units are allotted to an Eligible Unitholder or if the number of Excess Rights Units allotted to an Eligible Unitholder is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to the Eligible Unitholder without interest or any share of revenue or other benefit arising therefrom within 5 business days after commencement of trading of Rights Units, at the Eligible Unitholder's own risk by crediting the Eligible Unitholder's bank account with the relevant Participating Bank at the Participating Bank's Refund Foreign Exchange Rate, the receipt by such bank being a good discharge to the Manager and CDP of their obligations, if any, thereunder.

## **3. ILLUSTRATIVE EXAMPLES**

As an illustration, if an Eligible Unitholder has 5,000 Units standing to the credit of his Securities Account as at the Rights Issue Books Closure Date, the Eligible Unitholder will be provisionally allotted 1,900 Rights Entitlements as set out in his Entitlement Letter. The Eligible Unitholder's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

### **Alternatives**

### **Procedures to be taken**

(a) Accept in full his entire 1,900 Rights Entitlements and (if applicable) apply for Excess Rights Units.

Accept in full his entire 1,900 Rights Entitlements and (if applicable) apply for Excess Rights Units by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 12 December 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager)

(b) Accept a portion of his Rights Entitlements, for example 1,000 of his 1,900 Rights Entitlements, not apply for Excess Rights Units and trade the balance on the SGX-ST

Accept 1,000 of his 1,900 Rights Entitlements by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 12 December 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

The balance of the 900 Rights Entitlements which are not accepted by the Eligible Unitholder may be traded on the SGX-ST during the Rights Entitlements trading period. **Eligible Unitholders should note that the Rights Entitlements will be tradable in the ready market, with each board lot comprising 1 Rights Entitlement or 100 Rights Entitlements. Eligible Unitholders who wish to trade in other lot sizes can do so on the SGX-ST's Unit Share Market during the Rights Entitlements trading period.**

## Alternatives

## Procedures to be taken

- (c) Accept a portion of his Rights Entitlements, for example 1,000 of his 1,900 Rights Entitlements, not apply for Excess Rights Units and reject the balance.

Accept 1,000 of his 1,900 Rights Entitlements by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 12 December 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

The balance of his 900 Rights Entitlements which is not accepted by the Eligible Unitholder will be deemed to have been declined and will forthwith lapse and become void, and cease to be capable of acceptance by that Eligible Unitholder if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 12 December 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

- (d) Accept in full his entire 1,900 Rights Entitlements and apply for 100 Excess Rights Units through ATMs of DBS (including POSB).

Prior to 8 December 2018:

Accept in full his entire 1,900 Rights Entitlements and apply for 100 Excess Rights Units.

From 10 December 2018:

Apply for 2,000 Rights Units in total (comprising 1,900 Rights Entitlements and 100 Excess Rights Units).

Both prior to 8 December 2018 and from 10 December 2018:

The ATMs will show an issue price of S\$0.5904 for each Rights Unit (based on the DBS Fixed FX Rate of approximately €1.00 = S\$1.5828).

Any refund monies will be credited in Singapore dollars based on the DBS Fixed FX Rate.

- (e) Accept in full his entire 1,900 Rights Entitlements and apply for 100 Excess Rights Units through ATMs of OCBC.

Prior to 8 December 2018:

Accept in full his entire 1,900 Rights Entitlements and apply for 100 Excess Rights Units.

From 10 December 2018:

Apply for 2,000 Rights Units in total (comprising 1,900 Rights Entitlements and 100 Excess Rights Units).

## Alternatives

## Procedures to be taken

Both prior to 8 December 2018 and from 10 December 2018:

The ATMs will show an issue price of €0.373 for each Rights Unit and he will pay the application monies in Singapore dollars based on OCBC's prevailing board rate at the time of application.

Any refund monies will be credited in Singapore dollars based on OCBC's prevailing board rate at the time of refund.

- (f) Accept in full his entire 1,900 Rights Entitlements and apply for 100 Excess Rights Units through ATMs of UOB.

Prior to 8 December 2018:

Accept in full his entire 1,900 Rights Entitlements and apply for 100 Excess Rights Units.

From 10 December 2018:

Accept in full his entire 1,900 Rights Entitlements and apply for 100 Excess Rights Units.

Both prior to 8 December 2018 and from 10 December 2018:

The ATMs will show an issue price of €0.373 for each Rights Unit and he will pay the application monies in Singapore dollars based on UOB's prevailing board rate at the time of application.

Any refund monies will be credited in Singapore dollars based on UOB's prevailing board rate at the time of refund.

## 4. TIMING AND OTHER IMPORTANT INFORMATION

### 4.1 Timing

**THE LAST TIME AND DATE FOR ACCEPTANCE OF RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS UNITS AND PAYMENT FOR THE RIGHTS UNITS IN RELATION TO THE RIGHTS ISSUE IS 9.30 P.M. ON 12 DECEMBER 2018 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE MANAGER)<sup>1</sup>.**

If acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units and payment in the prescribed manner as set out in this Offer Information Statement and the Entitlement Letter (as the case may be) is not received through an ATM of the Participating Banks by **9.30 p.m. on 12 December 2018** (or such other time(s) and/or

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<sup>1</sup> Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays (excluding public holidays) between 7.00 a.m. and 9.30 p.m. **Please note that Electronic Applications through the ATMs of Participating Banks will not be available on 8 December 2018 due to system migration.**

date(s) as may be announced from time to time by or on behalf of the Manager) from any Eligible Unitholder or Purchaser, the Rights Entitlements that have been offered shall be deemed to have been declined and shall forthwith lapse and become void and cease to become capable of acceptance, and such Rights Entitlements not so accepted will be used to satisfy applications for Excess Rights Units, if any, or be otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit, in the interests of CEREIT.

**IF ANY ELIGIBLE UNITHOLDER OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

#### **4.2 Availability of Excess Rights Units**

The Excess Rights Units available for application are subject to the terms and conditions contained in the Entitlement Letter, this Offer Information Statement and (if applicable) the Trust Deed. Applications for Excess Rights Units will, at the Directors' absolute discretion, be satisfied from such Rights Units as are not validly taken up by the Eligible Unitholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the Rights Entitlements together with the aggregated fractional entitlements to the Rights Units, any unsold Rights Entitlements (if any) of Ineligible Unitholders and any Rights Units that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the Entitlement Letter, this Offer Information Statement and (if applicable) the Trust Deed. In the event that applications are received by the Manager for more Excess Rights Units than are available, the Excess Rights Units available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of CEREIT. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** Subject to the requirements of or otherwise waived by SGX-ST, in the allotment of Excess Rights Units, preference will be given to the rounding of odd lots. Each of the Sponsor, CSHPL, the Relevant Entities, other Substantial Unitholders who have control or influence over CEREIT or the Manager in connection with the day-to-day affairs of CEREIT or the Manager or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board and Directors will rank last in priority for the rounding of odd lots and allotment of Excess Rights Units. The Manager reserves the right to refuse any application for Excess Rights Units, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Units allotted to an Eligible Unitholder is less than the number of Excess Rights Units applied for, the Eligible Unitholder shall be deemed to have accepted the number of Excess Rights Units actually allotted to him.

If no Excess Rights Units are allotted or if the number of Excess Rights Units allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to such Eligible Unitholders, without interest or any share of revenue or other benefit arising therefrom, within 5 business days after commencement of trading of the Rights Units, by crediting their bank accounts with the relevant Participating Bank at the Participating Bank's Refund Foreign Exchange Rate **AT THEIR OWN RISK**, the receipt by such bank being a good discharge to the Manager and CDP of their obligations, if any, thereunder.

### 4.3 Deadlines

It should be particularly noted that unless:

- (a) acceptance of Rights Entitlements is made by the Eligible Unitholders or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Units is effected by **9.30 p.m. on 12 December 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or
- (b) acceptance is made by a Depository Agent via the SGX-SFG Service and payment (where applicable) in Euro currency by way of telegraphic transfer by the Depository Agent for the Rights Units is effected by **5.00 p.m. on 12 December 2018** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager),

the Rights Entitlements will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned to the Eligible Unitholders or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom by crediting their accounts with the relevant Participating Banks at the Participating Bank's Refund Foreign Exchange Rate (where acceptance is through Electronic Application), and at the Eligible Unitholders' or the Purchasers' (as the case may be) own risk, within 5 business days after the commencement of trading of the Rights Units.

**ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.**

### 4.4 Confirmation Note

A confirmation note confirming the date of issue and the number of Rights Units issued will be issued by the Manager or the agent appointed by the Manager to CDP. Upon crediting of the Rights Units and Excess Rights Units, CDP will send to Eligible Unitholders and/or Purchasers, **BY ORDINARY POST AND AT THEIR OWN RISK**, notification letters showing the number of Rights Units and Excess Rights Units credited to their Securities Accounts.

### 4.5 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Entitlements provisionally allotted and credited to an Eligible Unitholder's Securities Account. An Eligible Unitholder can verify the number of Rights Entitlements provisionally allotted and credited to his Securities Account online if he has registered for CDP Internet Access or through the CDP Automated Phone Services Hotline number (65) 6535-7511 using his telephone pin ("**T-Pin**"). Alternatively, an Eligible Unitholder may proceed personally to CDP with his identity card or passport to verify the number of Rights Entitlements provisionally allotted and credited to his Securities Account.

The Manager and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the Entitlement Letter. Any decision to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the Entitlement Letter

will be final and binding, and neither CDP nor the Manager accepts any responsibility or liability for the consequences of such a decision.

**EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS UNITS IS IRREVOCABLE.**

No acknowledgement will be given for any submissions sent by post or deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. An Eligible Unitholder can check the status of his acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units through the CDP Automated Phone Services Hotline number (65) 6535-7511 using his T-Pin.

**CDP Phone User Guide**

1. Dial (65) 6535-7511.
2. Press '1' for English; Press '2' for Mandarin.
3. Press '1' for 'All CDP account related queries'.
4. Press '3' for 'Corporate Actions Announcement and Transactions'.
5. Press '2' for your application status.
6. Enter your 12 digit CDP securities account number.
7. Enter your 6 digit telephone pin.

All communications, notices, documents and remittances to be delivered or sent to an Eligible Unitholder and/or Purchaser will be sent by **ORDINARY POST** to his mailing address as maintained in the records of CDP, **AT HIS OWN RISK**.

**4.6 Personal Data Privacy**

In the case of an Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, an Eligible Unitholder or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Participating Banks, the Unit Registrar, Securities Clearing and Computer Services (Pte) Ltd, CDP, the SGX-ST, the Manager, the Joint Global Co-ordinators and Bookrunners (the "**Relevant Persons**") for the purpose of facilitating his application for the Rights Units, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

# UNDERSTANDING THE ENTITLEMENT LETTER

## 1. Know your holdings and entitlement

### A. KNOW YOUR HOLDINGS & ENTITLEMENT

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Number of Units currently held by you

XX.XXX

This is your Unitholding as at the Books Closure

Units as at 5.00 p.m. on 23 November 2018

(Rights Issue Books Closure Date)

This is the date to determine your Rights Entitlements.

Number of Rights Units provisionally allotted\*

XX.XXX

This is your number of Rights Entitlements.

Issue Price

€0.373 per Rights Unit

This is the price that you need to pay when you subscribe for one Rights Unit.

## 2. How to Apply

### B. HOW TO APPLY

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**1. ATM** Application shall be through an ATM of a Participating Bank only. Follow the procedures set out on the ATM screen and submit your application through an ATM of a Participating Bank by 9.30 p.m. on 12 December 2018. **Electronic Applications through the ATMs of Participating Banks will not be available on 8 December 2018.**

Participating Banks are **DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited.**

For the avoidance of doubt, all applications must be made through ATMs as manual payments are not applicable for Euro transactions.

The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Banks (the "**Electronic Application Steps**"). Please read carefully the Electronic Application Steps and the terms and conditions set out in the Offer Information Statement before making an Electronic Application.

For applications through ATMs of DBS Bank Ltd. ("**DBS**") (including POSB), the ATMs will show an issue price in Singapore dollars for each Rights Unit (based on a fixed exchange rate as disclosed in the Offer Information Statement) (the "**DBS Fixed FX Rate**"). Any refund monies for Eligible Unitholders who make Electronic Applications through ATMs of DBS (including POSB) will be credited in Singapore dollars based on the DBS Fixed FX Rate.

For applications through ATMs of Oversea-Chinese Banking Corporation Limited ("**OCBC**") and United Overseas Bank Limited ("**UOB**"), the ATMs will show an issue price of €0.373 for each Rights Unit and applicants will pay the application monies in Singapore dollars based on the respective bank's prevailing board rate at the time of application. The different prevailing board rate at the time of application and at the time of refund of the application monies will result in either a foreign exchange profit or loss to such application monies.

This is the last date and time to subscribe for the Rights Units through ATM.

You can apply your Rights Units through ATMs of these participating banks.

**Note:** Please refer to the Entitlement Letter for the actual holdings, entitlements, record date, Issue Price, Closing Date for subscription and list of participating ATM banks.

**ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS**

The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Banks (the “**Electronic Application Steps**”). Please read carefully the terms and conditions set out in this Offer Information Statement, the Electronic Application Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept Rights Entitlements and (if applicable) apply for Excess Rights Units at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

**Eligible Unitholders who have subscribed for or purchased Units under the SRS or through a finance company and/or Depository Agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Units by instructing the respective approved banks in which they hold their SRS Accounts, finance company and/or Depository Agent to do so on their behalf. ANY APPLICATION MADE BY THE ABOVEMENTIONED ELIGIBLE UNITHOLDERS THROUGH ATMS WILL BE REJECTED.** Such Eligible Unitholders who have insufficient funds in their SRS Accounts may deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units.

Such Eligible Unitholders, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved bank, finance company and/or Depository Agent.

All references to “Rights Issue” and “Rights Application” on the ATM screens of the Participating Banks shall mean the offer of Rights Units under the Rights Issue and the acceptance of Rights Entitlements and (if applicable) the application for Excess Rights Units, respectively. All references to “Document” on the ATM screens of the Participating Banks shall mean this Offer Information Statement.

Any reference to the “Applicant” in the terms and conditions for Electronic Applications and the Electronic Application Steps shall mean the Eligible Unitholder or the Purchaser who accepts his Rights Entitlements and (if applicable) applies for Excess Rights Units through an ATM of a Participating Bank.

An Applicant must have an existing bank account with and be an ATM cardholder of one of the Participating Banks before he can make an Electronic Application at the ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks.

Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the “**Transaction Slip**”) confirming the details of his Electronic Application. The Transaction Slip is for retention by the Applicant.

**An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units liable to be rejected.**

Eligible Unitholders making Electronic Applications through ATMs will pay the application monies in Singapore dollars based on the respective Participating Bank's Foreign Exchange Rate at the time of application.

For applications through ATMs of DBS (including POSB), the ATMs will show an issue price of S\$0.5904 for each Rights Unit (based on the DBS Fixed FX Rate of approximately €1.00 = S\$1.5828). Any refund monies for Eligible Unitholders who make Electronic Applications through ATMs of DBS (including POSB) will be credited in Singapore dollars based on the DBS Fixed FX Rate.

For applications through ATMs of OCBC and UOB, the ATMs will show an issue price of €0.373 for each Rights Unit and applicants will pay the application monies in Singapore dollars based on the respective bank's prevailing board rate at the time of application. Any refund monies for Eligible Unitholders who make Electronic Applications through ATMs of OCBC and UOB will be credited in Singapore dollars based on the respective Participating Bank's Refund Foreign Exchange Rate. The different prevailing board rate at the time of application and at the time of refund of the application monies will result in either a foreign exchange profit or loss to such application monies.

The Electronic Applications shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

- (1) In connection with his Electronic Application, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
  - (a) that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units under the Rights Issue prior to effecting the Electronic Application and agrees to be bound by the same; and
  - (b) that he authorises CDP to give, provide, divulge, disclose or reveal information pertaining to his Securities Account maintained in CDP's record, including, without limitation, his name(s), his NRIC number(s) or passport number(s), Securities Account number(s), address(es), the number of Units standing to the credit of his Securities Account, the number of Rights Entitlements allotted to him, his acceptance and (if applicable) application for Excess Rights Units and any other information (the "**Relevant Particulars**") to the Manager and any other relevant parties (the "**Relevant Parties**") as CDP may deem fit for the purpose of the Rights Issue and his acceptance and (if applicable) application.

His acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units will not be successfully completed and cannot be recorded as a complete transaction in the ATM unless he presses the "Enter" or "OK" or "Confirm" or "Yes" key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (2) An Applicant may make an Electronic Application at an ATM of any Participating Bank for the Rights Entitlements and (if applicable) Excess Rights Units using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such

Participating Bank in Singapore dollars based on the respective Participating Bank's Foreign Exchange Rate at the time of application.

- (3) The Applicant irrevocably agrees and undertakes to subscribe for and accept up to the aggregate of the number of Rights Entitlements allotted and Excess Rights Units applied for as stated on the Transaction Slip or the number of Rights Units standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date. In the event that the Manager decides to allot any lesser number of Excess Rights Units or not to allot any number of Excess Rights Units to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.
- (4) If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key on the ATM) of the number of Rights Entitlements accepted and (if applicable) Excess Rights Units applied for shall signify and shall be treated as his acceptance of the number of Rights Units that may be allotted to him and (if applicable) his application for Excess Rights Units.
- (5) The Applicant irrevocably requests and authorises the Manager to:
  - (a) register, or procure the registration of the Rights Units allotted to the Applicant in the name of CDP for deposit into his Securities Account; and
  - (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the full amount or, as the case may be, the balance of the acceptance and/or application monies, should his Electronic Application in respect of the Rights Entitlements accepted and (if applicable) Excess Rights Units applied for, as the case may be, not be accepted or, as the case may be, be accepted in part only by or on behalf of the Manager for any reason, by automatically crediting the Applicant's bank account with the relevant Participating Bank at the Participating Bank's Refund Foreign Exchange Rate with the relevant amount within 5 business days after commencement of trading of the Rights Units.
- (6) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING THE RIGHTS ENTITLEMENTS OR APPLYING FOR EXCESS RIGHTS UNITS AS A NOMINEE OF ANY OTHER PERSON.**
- (7) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Joint Global Co-ordinators and Bookrunners and/or the Manager) and any events whatsoever beyond the control of CDP, the Participating Banks, the Joint Global Co-ordinators and Bookrunners and/or the Manager and if, in any such event, CDP, the Participating Banks, the Joint Global Co-ordinators and Bookrunners and/or the Manager do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 12 December 2018**, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Joint Global Co-ordinators and Bookrunners and/or the Manager for any purported acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units, or for any compensation, loss or damage in connection therewith or in relation thereto.
- (8) Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays (excluding public holidays) between **7.00 a.m. and 9.30 p.m. Please**

**note that Electronic Applications through the ATMs of Participating Banks will not be available on 8 December 2018 due to system migration.**

- (9) Electronic Applications shall close at **9.30 p.m. on 12 December 2018** or such other time as the Manager (in consultation with the Joint Global Co-ordinators and Bookrunners) may, in its absolute discretion, deem fit in the interests of CEREIT.
- (10) All particulars of the Applicant in the records of the relevant Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify the relevant Participating Bank.
- (11) The Applicant must have sufficient funds in his bank account(s) with the relevant Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
- (12) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance and/or application monies will be refunded in Singapore dollars at the Participating Bank's Refund Foreign Exchange Rate (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within 5 business days after the commencement of trading of the Rights Units. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance and/or application monies will be refunded on the same terms.
- (13) In consideration of the Manager arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 12 December 2018** or such other time or date as the Manager may (in consultation with the Joint Global Co-ordinators and Bookrunners), in its absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:
  - (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document is lodged with the Authority);
  - (b) his Electronic Application, the acceptance thereof by the Manager and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the non-exclusive jurisdiction of the Singapore courts;
  - (c) none of the Manager, the Joint Global Co-ordinators and Bookrunners, CDP or the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Manager or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 7 above or to any cause beyond their respective control;
  - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units;

- (e) in respect of the Rights Entitlements and (if applicable) the Excess Rights Units for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Manager and not otherwise, notwithstanding any payment received by or on behalf of the Manager; and
  - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application, a person who is not party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained in this Offer Information Statement or the Electronic Application, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (14) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Bank are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondences will be sent to his address last registered with CDP.
- (15) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Manager will reject any application by any person acting as nominee.
- (16) The Applicant hereby acknowledges that, in determining the total number of Rights Entitlements which the Applicant can validly accept, the Manager and CDP are entitled and the Applicant hereby authorises the Manager and CDP to take into consideration:
- (a) the total number of Rights Entitlements which the Applicant has validly accepted, whether by way of an Electronic Application or any other form of application for the Rights Units; and
  - (b) the total number of Rights Entitlements allotted to the Applicant and standing to the credit of the "Free Balance" of his Securities Account which is available for acceptance.

The Applicant hereby acknowledges that CDP's and the Manager's determination shall be conclusive and binding on him.

- (17) The Applicant irrevocably requests and authorises CDP to accept instructions from the relevant Participating Bank through whom the Electronic Application is made in respect of the Rights Entitlements accepted by the Applicant and (if applicable) the Excess Rights Units which the Applicant has applied for, and such instructions shall be binding and conclusive on the Applicant.
- (18) With regard to any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units which does not conform strictly to the instructions set out under this Offer Information Statement, the Entitlement Letter and/or any other application form for the Rights Units in relation to the Rights Issue, or which does not comply with the instructions for Electronic Application, the Manager and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such application and payment or otherwise process all remittances at any time after receipt in such manner as it deems fit.

- (19) The Manager and CDP shall be entitled to process each application submitted for the acceptance of Rights Entitlements and (if applicable) application of Excess Rights Units in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application on its own, without regard to any other application and payment that may be submitted by the Applicant. For the avoidance of doubt, evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units.

**LIST OF PARTICIPATING BANKS**

- DBS Bank Ltd. (including POSB);
- Oversea-Chinese Banking Corporation Limited; and
- United Overseas Bank Limited.

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**FORM OF INVESTOR REPRESENTATION LETTER****Form of Investor Representation Letter****Important Note to QIBs:**

Please return a duly signed investor representation letter to Cromwell EREIT Management Pte. Ltd. (as manager of Cromwell European Real Estate Investment Trust) (the “**Manager**”) by mail, fax or e-mail so as to reach the Manager on or before 5.00 PM (Singapore time) on 12 December 2018. For existing unitholders, please also forward a copy of the signed investor representation letter to your depository agent (including nominee, custodian or other financial intermediary). You should note that if you do not return a duly signed investor representation letter in a timely manner, you may not be eligible to participate in the Rights Issue.

Date: [●]

**Cromwell EREIT Management Pte. Ltd.**

(as manager of Cromwell European Real Estate Investment Trust) (the “**Manager**”)  
50 Collyer Quay  
#07-02 OUE Bayfront  
Singapore 049321

With a copy to:

**UBS AG, Singapore Branch**

One Raffles Quay  
#50-01 North Tower  
Singapore 048583

**DBS Bank Ltd.**

12 Marina Boulevard  
Marina Bay Financial Centre Tower 3  
Singapore 018982

**Morgan Stanley Asia (Singapore) Pte.**

23 Church Street  
#16-01 Capital Square  
Singapore 049481

**Daiwa Capital Markets Singapore Limited**

7 Straits View  
#16-05/06 Marina One East Tower  
Singapore 018936

Ladies and Gentlemen:

This letter is delivered in connection with our participation in the renounceable underwritten rights issue (the "**Rights Issue**") by the Manager of new units (the "**Rights Units**") in Cromwell European Real Estate Investment Trust ("**CEREIT**"), including the rights in nil-paid form to subscribe for the Rights Units (the "**Rights**", and together with the Rights Units, the "**Securities**"). We hereby acknowledge, represent, warrant and agree as follows:

1. We are the beneficial holder of (or acting on account of unitholders beneficially holding) units in CEREIT as at the date hereof.
2. We are a "qualified institutional buyer" ("**QIB**") as defined in Rule 144A under the U.S. Securities Act of 1933, as amended, and the rules and regulations of the United States Securities and Exchange Commission promulgated thereunder (the "**Securities Act**"), with full power and authority to make the acknowledgements, representations, warranties and agreements contained herein, and, if we are acquiring the Units as a fiduciary or agent for one or more investor accounts, each owner of such account is a QIB, we have sole investment discretion with respect to each such account, and we have full power and authority to make the acknowledgements, representations, warranties and agreements contained herein on behalf of each owner of such account.
3. To the extent we exercise the Rights and subscribe for Rights Units, or apply for excess Rights Units, we will acquire such Rights and Rights Units for our own account, or for the account of one or more QIB(s) as to which we have full investment discretion, in each case for investment purposes, and not with a view to any distribution (within the meaning of the U.S. securities laws) of the Rights or the Rights Units.
4. Provided that we have returned and duly signed this investor representation letter in a timely manner, we understand that we will receive a copy of the offer information statement (the "Offer Information Statement") which the Manager is issuing in connection with the Rights Issue, a copy of which will also be lodged with the Monetary Authority of Singapore and will be publicly available, and our receipt of the Rights, any subscription we may make for the Rights Units and application we may make for excess Rights Units will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in the Offer Information Statement, its accompanying documents and this letter. We agree that we will hold the Offer Information Statement in confidence, it being understood that the Offer Information Statement will be received by us solely for our use and that we will not duplicate, distribute, forward, transfer or otherwise transmit the Offer Information Statement, any provisional allotment letter relating to the Rights Issue or any other materials concerning the Rights Issue (including electronic copies thereof) to any persons within the United States.
5. We are aware and understand (and each account for which we are acting has been advised and understands) that an investment in the Securities involves a considerable degree of risk and that the Securities are a speculative investment, and further, that no U.S. federal or state or other agency has made any finding or determination as to the fairness of any such investment or any recommendation or endorsement of any such investment.
6. We understand (and each account for which we are acting has been advised and understands) that no action has been or will be taken to permit an offering of the Securities in any jurisdiction (other than the lodgement of the Offer Information Statement with the Monetary Authority of Singapore); and we will not offer, resell, pledge or otherwise transfer any of the Securities which we may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any

person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.

7. We will not engage in hedging or short-selling or place simultaneous sell and buy orders or engage in similar kinds of transactions involving Rights or Rights Units that have the purpose or effect of evading the applicable restrictions on resale.
8. Without limiting the generality of the foregoing, we are aware and understand (and each account for which we are acting has been advised and understands) that (i) the Securities have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the United States, (ii) any offer and sale of the Securities to us is being made solely by CEREIT and the Manager in reliance on the exemption from the registration requirements of the Securities Act, and (iii) the Securities are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act; and we agree, on our own behalf and on behalf of any accounts for which we are acting, that we will not offer, resell, pledge or otherwise transfer any Units which we may acquire, or any beneficial interests therein, except (a) to a person who is a QIB in a transaction exempt from registration under U.S. securities laws or (b) on the SGX-ST (as defined below) in accordance with Rule 904 of Regulation S or otherwise in an offshore transaction complying with Rule 904 of Regulation S under the Securities Act, pursuant to another exemption from registration under the Securities Act or pursuant to an effective registration statement under the Securities Act.
9. We agree that neither we, nor any of our affiliates, or any person acting on our or their behalf, has engaged or will engage in any “directed selling efforts” as defined in Regulation S under the Securities Act, or in any general solicitation or general advertising as defined in Rule 502(c) under the Securities Act, in the United States with respect to the Securities.
10. To the extent we exercise the Rights and subscribe for Rights Units, or apply for excess Rights Units, we acknowledge and agree that we are not acquiring or subscribing for the Securities as a result of any general solicitation or general advertising (as those terms are defined in Regulation D under the Securities Act). We understand and agree that although offers and sales of the Securities are being made in the United States to QIBs, such offers and sales are not being made under Rule 144A under the Securities Act.
11. To the extent we exercise the Rights and subscribe for Rights Units, or apply for excess Rights Units, we agree not to deposit any Securities into any unrestricted depository facility maintained by any depository bank unless and until such time as the Securities are no longer “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act.
12. Prior to making any investment decision to exercise the Rights and subscribe for Rights Units, or apply for excess Rights Units, we (i) will have consulted with our own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent we have deemed necessary, (ii) will have been furnished with and have carefully read and reviewed a copy of the Offer Information Statement and its accompany documents, (iii) will have possessed all information relating to CEREIT, the Manager, the Rights Issue and the Securities which we believe is necessary or appropriate for the purpose of making our investment decision, including, without limitation, the Offer Information Statement and the Exchange Information (as defined below), (iv) will have had a reasonable opportunity to ask questions of and receive answers from officers and representatives of the Manager concerning the financial condition and results of operations of CEREIT, the Manager, the Rights Issue and the Securities, and any such questions have been answered to our satisfaction, (v) will have reviewed all information that we believe is necessary or appropriate in connection with an investment in the Securities and (vi) will have conducted our own due diligence on CEREIT, the Manager, the Rights Issue and the

Securities, will have made our own investment decisions based upon our own judgment, due diligence and advice from such advisers as we have deemed necessary, and will not have relied upon any investigation that DBS, UBS MS, Daiwa or any of their respective affiliates or any person acting on their behalf may have conducted with respect to CEREIT, the Manager, the Rights Issue or the Securities, or any recommendation, promise, representation or warranty of or view expressed by or on behalf of the Manager, DBS, UBS MS, Daiwa or any of their respective affiliates (including any research reports). We understand and acknowledge that nothing in this letter or any other materials presented to us in connection with the Rights Issue and the Securities constitutes legal, tax or investment advice. Without limiting the generality of the foregoing, we acknowledge that (i) the units of CEREIT are listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the Manager is therefore required to publish certain business, financial and other information concerning CEREIT in accordance with the rules and practices of the SGX-ST (the "**Exchange Information**"), which includes, but is not limited to, a description of the nature of CEREIT's business and CEREIT's most recent balance sheet and profit and loss account, and similar statements for preceding years, and that we have reviewed such Exchange Information as we have deemed necessary or that we are able to obtain or access the Exchange Information without undue difficulty; and (ii) none of the Manager, UBS, DBS, MS, Daiwa or any of their respective affiliates, employees, officers, directors or representatives has made any recommendation, promise, representation or warranty to us, express or implied, with respect to CEREIT, the Rights Issue or the Securities or the accuracy, completeness or adequacy of the Exchange Information.

13. We understand that the Exchange Information has been, and the Offer Information Statement will be, prepared in accordance with content, format and style which is either prescribed by the SGX-ST or under Singapore laws or is customary in rights offerings in Singapore, which differs from the content, format and style customary for similar offerings in the United States. In particular, with respect to the financial information to be contained in the Offer Information Statement, such financial information is not being prepared for an offering registered with the U.S. Securities and Exchange Commission. We acknowledge that CEREIT is not and does not expect or intend to become subject to the periodic reporting and other information requirements of the U.S. Securities Exchange Act of 1934, as amended.
14. We understand that the Manager has not made a determination as to whether CEREIT may be classified as a "passive foreign investment company" ("**PFIC**") within the meaning of section 1297 of the U.S. Internal Revenue Code of 1986, as amended, for the current or any future taxable year and will not provide information required for us to make a "qualified election fund" election, and that there may be certain adverse consequences under United States tax laws if CEREIT were to be a PFIC in the current or any future taxable year in which we may hold units in CEREIT, including being subject to United States tax at greater rates than would otherwise apply with respect to our investment in the Units. We understand that a separate determination must be made each year as to CEREIT's PFIC status and if we are subject to United States tax filing requirements, and we are seeking our own advice and will make our own assessment on this matter and its effect on our investment. We, and any account for which we are acting, acknowledge that we have not relied and will not rely to any degree upon the Manager, DBS, UBS, MS, Daiwa or any of their respective affiliates for advice as to any tax consequences related to such investment in the Securities or for the preparation and filing of any tax returns and elections required or permitted to be filed by it in connection therewith.
15. We acknowledge that (i) any information that we have received or will receive relating to or in connection with the Rights Issue and the Securities, including the Offer Information Statement and the Exchange Information (collectively, the "**Information**"), has been or will be prepared solely by the Manager and (ii) that none of DBS, UBS, MS, Daiwa or any of their respective affiliates has verified or will verify such Information, and no recommendation,

promise, representation or warranty (express or implied) is, has been or will be made or given by DBS, UBS, MS, Daiwa or their respective affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by any of them or their respective affiliates.

16. We, and any account for which we are acting, will not hold DBS, UBS, MS, Daiwa or any of their respective affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by the Manager to us or otherwise in connection with the Rights Issue, the Rights and the Rights Units. We acknowledge that no written or oral information relating to the Rights Issue, the Rights and the Rights Units has been or will be provided by DBS, UBS, MS, Daiwa or any of their respective affiliates to us.
17. We are a highly sophisticated institutional investor and have such knowledge and experience in financial, business and international investment matters as to be capable of evaluating the merits and risks of an investment in the Securities. We, and any account for which we are acting, are aware that the transferability of the Securities is restricted, and that the value of the Securities may decline. We, or any account for which we are acting, have the financial ability to bear the economic risk of investment in the Securities, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to any investment we (or such account for which we are acting) may make in the Securities, and are able to sustain a complete loss in connection therewith. We will not look to CEREIT, the Manager, DBS, UBS, MS, Daiwa or any of their respective affiliates, for all or part of any such loss or losses we may suffer. We have no reason to anticipate any change in our circumstances, financial or otherwise, which may cause or require any sale or distribution by us of all or any part of any Securities we may decide to invest in. We, and any account for which we are acting, agree that none of CEREIT, the Manager, DBS, UBS, MS, Daiwa and their respective affiliates shall have any obligation to purchase or acquire all or any of the Securities which we, and any account for which we are acting invested in, or to support any losses directly or indirectly sustained or incurred by us or any account for which we are acting for any reason whatsoever in connection with the investment in the Securities.
18. We understand and acknowledge that DBS, UBS, MS and Daiwa are acting solely for CEREIT and the Manager and no one else in connection with the Rights Issue and, in particular, are not providing any service to us, making any recommendations to us, advising us regarding the suitability of any transactions we may enter into to subscribe or purchase any Securities nor providing advice to us in relation to CEREIT, the Manager, the Rights Issue or the Securities. Further, to the extent permitted by law, we waive any and all claims, actions, liabilities, damages or demands we may have against DBS, UBS, MS and/or Daiwa arising from their engagement with the Manager.
19. Our investment in the Securities is lawful under all applicable securities and other laws, and we will, and (if applicable) will obtain undertakings from the owners of any account for which we are acting that they will, comply with all laws, regulations and restrictions which may be applicable in our jurisdiction and (if applicable) the jurisdiction of the owners of any account for which we are acting, and we have obtained or will obtain any consent, approval or authorization required for our agreement and (if applicable) the agreement of the owners of any account for which we are acting to invest in the Securities. We and any account for which we are acting have not offered or sold, and will not offer or sell, any of the Securities which may be acquired by us and any account for which we are acting in any jurisdiction or in any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer or sale, except in compliance with any applicable laws and/or regulations of the relevant jurisdiction(s).

20. We have full power and authority to invest in the Securities and execute and deliver this letter, which constitutes our valid and legally binding obligation and is enforceable against us in accordance with its terms.
21. We understand and acknowledge that DBS, UBS, MS, Daiwa and their respective affiliates may acquire or dispose of units in CEREIT for their own account and may have existing or future business relationships with CEREIT and the Manager (including, but not limited to, lending, depository, risk management, advisory and banking relationships), for which they have received, and may in the future receive, customary compensation, and will pursue actions and take steps that it deems or they deem necessary or appropriate to protect its or their interests arising therefrom without regard to the consequences for a holder of units in CEREIT, and that certain of these actions may have material and adverse consequences for a holder of units in CEREIT.
22. We understand that the foregoing acknowledgements, representations, warranties and agreements have been provided in connection with United States, Singapore and other securities laws. We acknowledge that DBS, UBS, MS, Daiwa, the Manager, their respective affiliates and others (including but not limited to the legal counsels to the Manager, DBS, UBS, MS and Daiwa) will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements (on behalf of ourselves and any account for which we are acting) and agree that, if at any time before the closing of the Rights Issue or the issuance of the Rights Units, any of the acknowledgements, representations, warranties and agreements made (on behalf of ourselves and any account for which we are acting) made in connection with our exercise of Rights and subscription for Rights Units or application for excess Rights Units is no longer accurate, we shall promptly notify the Manager, DBS, UBS, MS and Daiwa in writing.
23. Except as otherwise provided in paragraph 8 above, (i) we will not transfer the Securities to any person or entity, unless such person or entity could itself truthfully make each of the foregoing acknowledgements, representations, warranties and agreements and (ii), we will notify such transferee of the transfer and other restrictions contained herein.

We understand that the Manager, DBS, UBS, MS, Daiwa and their respective affiliates and advisers (including but not limited to their legal counsels in connection with the Rights Issue) are entitled to rely upon this letter and are irrevocably authorised to produce this letter or a copy hereof to any interested party pursuant to, in connection with, or as may be required by, any applicable law or regulation, and in any administrative, arbitration or legal proceeding, requirements or request of any regulatory authority, potential dispute or official inquiry with respect to the matters covered hereby.

We irrevocably authorise any depository agent, which includes any nominee, custodian or other financial intermediary through which we hold units in CEREIT, to provide the Manager and each of DBS, UBS, MS and Daiwa with a copy of this letter and such information regarding our identity and unitholding in CEREIT (including pertinent account information and details of our identity and contact information) as may be necessary or appropriate to facilitate our receipt or exercise of Rights or purchase of Rights Units.

On and as of the date of closing of the Rights Issue and the issuance of the Rights Units, we shall be deemed to have repeated the written representations and warranties given by us herein.

This letter agreement shall be governed by and construed in accordance with Singapore law. Notwithstanding that a person who is not a party to this letter shall have no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any of its terms, we agree and acknowledge that the Manager's affiliates and its advisers (including but not limited to the joint underwriters appointed by the Manager in connection with the Rights Issue) shall have

the unconditional right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce and rely on our representations, warranties, agreements, acknowledgments and other terms contained in this letter agreement. It is agreed that the Singapore courts will have the non-exclusive jurisdiction in relation to this letter agreement.

For the purposes of the above acknowledgements, representations, warranties and agreements, the words “we”, “us”, “our” and similar words shall refer to ourselves and each account for which we are acting as if such acknowledgements, representations, warranties and agreements were made by us and each such account as principal. The term “affiliate” as used in this letter is understood to include (i) all employees, officers, directors and representatives of the relevant party and any other person acting on that party’s behalf in the relevant context and (ii) all persons that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified (as used in this sentence, the terms “control”, “controlled by” and “under common control with” shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise).

Very truly yours,

Institution:

Signature:

Name:

Title:

Institution’s Address:

Daytime Telephone Number:

If signing on behalf of another person,  
please indicate the capacity in which signed:

**Please note that this Investor Representation Letter does not represent an order to subscribe for or purchase Units.**

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## AIFMD DISCLOSURES

This Appendix F should be read by any prospective investor domiciled, or with a registered office, in a member state of the European Economic Area (“**EEA**”). The Manager is due to offer units of Cromwell European Real Estate Investment Trust (“**CEREIT**”, and the units of CEREIT, “**Units**”) that are anticipated to be marketed in the member states of the EEA.

*CEREIT will be an “alternative investment fund” (the “AIF”), as defined in the Alternative Investment Fund Managers Directive 2011/61/EU of the European Parliament and of the European Council (the “AIFMD”). Cromwell EREIT Management Pte. Ltd., as the manager of CEREIT (the “Manager”), is considered the “alternative investment fund manager” of CEREIT (the “AIFM”), as defined in the AIFMD. For the two alternative investment funds holding the 14 Italian properties of the initial portfolio of CEREIT (the “Italian Diversified Portfolio Properties”), Cromwell Investment Services Limited (the “UK AIFM”) is considered the “alternative investment fund manager” as defined in the AIFMD.*

No.	Nature of disclosure	Disclosure
<b>Article 23(1)(a)</b>		
1.	Objectives of the AIF.	The key objectives of CEREIT are to (i) provide holders of Units (“ <b>Unitholders</b> ”) with regular and stable distributions and (ii) to achieve long-term growth in distribution per Unit and net asset value per Unit, while maintaining an appropriate capital structure.
2.	Investment strategy of the AIF.	The investment strategy of CEREIT is to principally invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets in Europe that are used primarily for office, light industrial/logistics and retail purposes <sup>1</sup> , as well as real estate-related assets in connection with the foregoing.
3.	Location of any master AIF.	This is not applicable as CEREIT does not qualify as a feeder within the meaning of the AIFMD.
4.	Where underlying funds are established if the AIF is a fund of funds.	This is not applicable as CEREIT is not a fund of funds.
5.	Types of assets in which the AIF may invest.	Under its investment strategy, CEREIT may invest in income-producing real estate assets in Europe that are used primarily for office, light industrial/logistics and retail purposes, as well as real estate-related assets in connection with the foregoing. For general statutory investment restrictions, please refer to paragraph 7 of this Appendix F.

<sup>1</sup> “**Office**” properties refer to real estate that are predominantly used for office purposes, whether in existence by themselves as a whole or as part of larger mixed-use developments, “**light industrial/logistics**” properties refer to real estate that are predominantly used for light industrial, warehouse, and logistics purposes, the majority of which may have an attached office component, and “**retail**” properties refer to real estate that are predominantly used for retail purposes.

No.	Nature of disclosure	Disclosure
6.	Techniques which the AIF may employ and all associated risks.	<p>Please refer to the disclosure in paragraph 1 above for CEREIT's principal investment strategy and the section entitled "Risk Factors" of this Offer Information Statement for the risks relating to the techniques which Cromwell EREIT Management Pte. Ltd. (acting in its capacity as manager of CEREIT) (the "<b>Manager</b>") may employ.</p> <p>CEREIT has an investment policy of investing in real estate and real estate-related assets whether by way of direct ownership of real estate and real estate related assets or by way of a holding of shares, units or any other interest(s) in special purpose vehicles which are unlisted, each of whose primary purpose is to hold or own real estate and real estate related assets.</p>
7.	Any applicable investment restrictions on the AIF.	<p>(i) CEREIT is required to comply with Appendix 6 of the Code on Collective Investment Schemes (the "<b>Property Funds Appendix</b>") and the applicable provisions of the trust deed constituting CEREIT (as amended) (the "<b>Trust Deed</b>").</p> <p>(ii) Pursuant to paragraph 6.1 of the Property Funds Appendix, CEREIT may only invest in:</p> <ul style="list-style-type: none"> <li>(a) real estate, whether freehold or leasehold, in or outside Singapore, which may be by way of direct ownership or a shareholding in an unlisted special purpose vehicle constituted to hold or own real estate;</li> <li>(b) real estate-related assets, wherever the issuers/assets/securities/units in a property fund are incorporated/located/issued/traded;</li> <li>(c) listed or unlisted debt securities and listed shares of, or issued, by local or foreign non-property corporations;</li> <li>(d) government securities (issued on behalf of the Singapore Government or governments of other countries) and securities issued by a supranational agency or a Singapore statutory board; and</li> <li>(e) cash and cash equivalent items.</li> </ul>

No.	Nature of disclosure	Disclosure
		<p>(iii) Pursuant to paragraph 7.1 of the Property Funds Appendix, CEREIT is required to comply with the following restrictions and requirements:</p> <ul style="list-style-type: none"> <li>(a) at least 75% of CEREIT's deposited property (as defined in the Property Funds Appendix) should be invested in income-producing real estate;</li> <li>(b) CEREIT should not undertake property development activities whether on its own, in a joint venture with others, or by investing in unlisted property development companies, unless CEREIT intends to hold the developed property upon completion. For this purpose, property development activities do not include refurbishment, retrofitting and renovations;</li> <li>(c) CEREIT should not invest in vacant land and mortgages (except for mortgage-backed securities);</li> <li>(d) the total contract value of property development activities undertaken and investments in uncompleted property developments should not exceed 10% of CEREIT's deposited property, but may exceed 10% of CEREIT's deposited property (subject to a maximum of 25%) only if (A) the additional allowance of up to 15% of CEREIT's deposited property is utilised solely for the redevelopment of an existing property that has been held by CEREIT for at least three years and which CEREIT will continue to hold for at least three years after the completion of the redevelopment; and (B) CEREIT obtains the specific approval of Unitholders' at a general meeting for the redevelopment of the property; and</li> <li>(e) for investments in permissible investments under sub-paragraphs (ii) (c), (d) or (e) above (except for deposits placed with eligible financial institutions and investments in high-quality money market instruments or debt securities), not more than 5% of CEREIT's deposited property may be invested in any one issuer's securities or any one manager's funds.</li> </ul>

No.	Nature of disclosure	Disclosure
8.	Circumstances in which the AIF may use leverage.	Pursuant to paragraph 9.1 of the Property Funds Appendix, CEREIT may use borrowings for investment or redemption purposes. CEREIT may also use borrowings to fund its distributions to Unitholders. It may mortgage its assets to secure such borrowings.
9.	Types and sources of leverage permitted and associated risks.	<p>Under Guidance Note 1 of paragraph 9.1 of the Property Funds Appendix, “borrowings” is explained to include bonds, notes, syndicated loans, bilateral loans or other debt.</p> <p>Please refer to the section entitled “Risk Factors” of this Offer Information Statement for the risks factors relating to leverage entitled “The amount CEREIT may borrow is limited, which may affect the operations of CEREIT.” and “CEREIT may face risks associated with debt financing and the Facilities and the debt covenants could limit or affect CEREIT’s operations”.</p>
10.	Any restrictions on the use of leverage.	Pursuant to paragraph 9.2 of the Property Funds Appendix, the total borrowings and deferred payments (collectively, the “ <b>aggregate leverage</b> ”) of CEREIT should not exceed 45% of CEREIT’s deposited property.
11.	Any collateral and asset reuse arrangements.	Pursuant to paragraph 9.1 of the Property Funds Appendix, CEREIT may mortgage its assets to secure borrowings which are used for investment or redemption purposes. In connection with such collateral, the assets are given in security only and are appropriated to the satisfaction of payment of the borrowings by CEREIT to the relevant chargees/mortgagees, and not by way of transfer of title or possession of the assets to such chargees/mortgagees (as opposed to, for example, a prime broker to whom securities are pledged and who can use them for securities lending purposes).
12.	Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF.	Please refer to the disclosure in paragraph 10 above.
<b>Article 23(1)(b)</b>		
13.	Procedure by which the AIF may change its investment strategy.	Upon the expiry of three years from the public listing date of CEREIT, the Manager may change its investment policies for CEREIT so long as it has given at least 30 days’ prior notice of the change to Perpetual (Asia) Limited (in its capacity as trustee of CEREIT) (the “ <b>Trustee</b> ”) and to the Unitholders by way of an announcement to Singapore Exchange Securities Trading Limited (the “ <b>SGX-ST</b> ”).

No.	Nature of disclosure	Disclosure
<b>Article 23(1)(c)</b>		
14.	Main legal implications of the contractual relationship entered into for the purposes of investment (including jurisdiction, applicable law and the existence or not of any legal instruments providing for the recognition and enforcement of judgements in the territory where the AIF is established).	<p>An investor who has acquired or subscribed for Units shall be a Unitholder. The rights and interests of Unitholders are provided for in the Trust Deed which is governed by the laws of Singapore.</p> <p>The terms and conditions of the Trust Deed shall be binding on each Unitholder as if such Unitholder has been a party to the Trust Deed and as if the Trust Deed contains covenants by such Unitholder to observe and be bound by the provisions of the Trust Deed and an authorisation by each Unitholder to do all such acts and things as the Trust Deed may require the Manager and/or the Unitholder to do.</p> <p>A Unitholder has no equitable or proprietary interest in the underlying assets of CEREIT. A Unitholder is not entitled to the transfer to him of any asset (or any part thereof) or of any real estate, any interest in any asset and real estate-related assets (or any part thereof) of CEREIT.</p> <p>There is no single legal regime in Singapore governing the recognition and enforcement of foreign judgments in Singapore. Rather, under Singapore law, there exists common law, and statute mechanisms for the recognition and enforcement of foreign judgments in Singapore. Each of these is subject to its own procedures and qualifications and whether a judgment given in a foreign court will be enforced in Singapore must be considered in light of the relevant factors in each case, including the applicable regime, the specific jurisdiction where such judgment was given and whether the requirements for recognition and enforcement of the foreign judgment have been satisfied.</p> <p>The Trust Deed is available for inspection by investors and prospective investors at the registered office of the Manager at 50 Collyer Quay, #07-02, OUE Bayfront, Singapore 049321.</p>
<b>Article 23(1)(d)</b>		
15.	The identity of the AIFM.	<p>The Manager, Cromwell EREIT Management Pte. Ltd. was incorporated in Singapore under the Companies Act, Chapter 50 of Singapore on 31 January 2017 and as at 19 November 2018, being the latest practicable date prior to the lodgement of the Offer Information Statement (the "<b>Latest Practicable Date</b>"), has a paid-up capital of S\$2,500,002. Its principal place of business is 50 Collyer Quay, #07-02, OUE Bayfront, Singapore 049321, and its telephone and facsimile numbers are +65 6920 7539 and +65 6920 8108, respectively.</p>

No.	Nature of disclosure	Disclosure
		<p>The UK AIFM, Cromwell Investment Services Limited is a limited liability company incorporated and registered in England and Wales, is a wholly-owned subsidiary of the sponsor, Cromwell Property Group (the “<b>Sponsor</b>”). In addition, the UK AIFM holds a financial services licence in the U.K. to manage unregulated alternative investment funds under AIFMD and has been authorised and regulated by the Financial Conduct Authority (“<b>FCA</b>”) as an alternate investment fund manager since July 2014.</p> <p>The Manager and the UK AIFM will be categorised as the alternative investment fund managers (as defined in the AIFMD) and the agents appointed by the Manager and the UK AIFM will conduct the marketing of CEREIT and the AIFs respectively in the United Kingdom and The Netherlands in accordance with the requirements of the AIFMD.</p>
16.	The identity of the AIF’s depository, a description of their duties and the investors’ rights.	<p>CEREIT’s depository and clearing organisation is The Central Depository (Pte) Limited, For the avoidance of doubt, investors are expressly notified that this does not concern a depository within the meaning of the AIFM Directive; CEREIT is not obliged to appoint an AIFM Directive depository and The Central Depository (Pte) Limited is not obliged to comply with the provisions following from the directive. The contact details of the depository are as follows:</p> <p>Address : 9 North Buona Vista Drive, #01-19/20, The Metropolis, Singapore 138588</p> <p>Telephone No. : +65 6535 7511</p> <p>Facsimile No. : +65 6535 0775</p>
17.	The identity of the AIF’s auditor, description of their duties and the investors’ rights.	<p>CEREIT’s auditor is Deloitte &amp; Touche LLP (in such capacity, the “<b>Reporting Auditors</b>”). The contact details of Deloitte &amp; Touche LLP are as follows:</p> <p>Address : 6 Shenton Way, OUE Downtown 2, #33-00, Singapore 068809</p> <p>Telephone No. : +65 6224 8288</p> <p>Facsimile No. : +65 6538 6166</p> <p>The Reporting Auditor will also be responsible for auditing the consolidated financial statements of CEREIT prepared in accordance with the International Financial Reporting Standards and issuing its report on the financial statements in respect of each financial year of CEREIT.</p> <p>Without prejudice to any potential right of action in tort or any potential derivative action, investors in CEREIT may not have a direct right of recourse against the Reporting Auditor as such a right of recourse will lie with the relevant contracting counterparty (in this case being the Manager and the Trustee) rather than the investors. Any contractual claim, demand or action against the Reporting Auditor may, in the absence of any derivative action, be brought only by the Manager and/or the Trustee.</p>

No.	Nature of disclosure	Disclosure
		In the event that an investor in CEREIT considers that it may have a claim against the Reporting Auditors in connection with its investment in CEREIT, such investor should consult its own legal advisers.
18.	The identity of any other AIF service providers, a description of their duties and the investors' rights.	<p>Cromwell Europe Limited will act as the property manager for CEREIT's properties (the "<b>Property Manager</b>"). The Property Manager has entered into a master property and portfolio management agreement with the Trustee and the Manager (the "<b>Master Property and Portfolio Management Agreement</b>"). The Property Manager shall, whether directly, or by procuring its subsidiaries or other companies (whether related or unrelated) (the "<b>Individual Property Manager</b>") to operate, maintain, manage and market the Properties and any subsequent properties whether directly or indirectly acquired by CEREIT. In relation to Properties<sup>1</sup> which CEREIT does not wholly-own, and the joint owner has the right to either veto the appointment or appoint the property manager, and such joint owner does not agree to appoint Cromwell Europe Limited as the property manager pursuant to the terms of the Master Property and Portfolio Management Agreement, then the Property Manager shall have no further rights thereafter to be appointed as the property manager in relation to such new property. The Manager, the Individual Property Manager and the special purpose vehicle holding the Property (the "<b>SPV Owner</b>") or an intermediate entity which directly or indirectly holds the Property ("<b>Intermediate Entities</b>") will enter into a separate individual property and portfolio management agreement in the form and on terms substantially similar to the form of Individual Property and Portfolio Management Agreement appended to the Master Property and Portfolio Management Agreement (collectively, the "<b>Individual Property and Portfolio Management Agreements</b>"). More than one Individual Property and Portfolio Management Agreement may be entered into depending on whether the services would be provided at the direct Property level or at the intermediate entity level. Pursuant to the Master Property and Portfolio Management Agreement, the Property Manager is responsible for:</p> <ul style="list-style-type: none"> <li>• portfolio management and accounting (comprising portfolio management services and financial accounting and administration services);</li> </ul>

1 "**Properties**" means the properties comprising CEREIT's Enlarged Portfolio, the Italian Properties and the French Properties.

No.	Nature of disclosure	Disclosure
		<ul style="list-style-type: none"> <li>• asset management services (comprising management of the Properties, business plan advisory and support services, new investments or development/extension services, debt advisory services, onboarding of new acquisition, lease management services, technical management services, sustainability, appointment and management of third parties, disposal services and general management services;</li> <li>• accounting and administration services (comprising financial and accounting services and administration services);</li> <li>• financial and technical property management services (comprising Financial Services and Technical Services);</li> <li>• development management services;</li> <li>• project management services; and</li> <li>• risk management services.</li> </ul> <p>Cromwell Investment Services Limited had been appointed as the alternative investment fund manager of the AIFs, the two alternative investment funds holding the Italian properties from the Existing Portfolio.</p> <p>In the event that an investor in CEREIT considers that it may have a claim against CEREIT, the Manager, the UK AIFM, the Trustee (in its capacity as trustee of CEREIT) or the Property Manager in connection with its investment in CEREIT, such investor should consult its own legal advisers.</p>
<b>Article 23(1)(e)</b>		
19.	Description of how the AIFM complies with the requirements to cover professional liability risks (own funds/professional indemnity insurance).	<p>The Manager is required to satisfy the base capital requirement of S\$1.0 million for its regulated activity of REIT management as per the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations, Chapter 289 Regulation 13 of Singapore.</p> <p>As set out in the disclosure in paragraph 15 above, as at the Latest Practicable Date, the issued share capital of the Manager is S\$2,500,002.</p> <p>In addition, the Manager maintains professional indemnity insurance coverage for the liability of its directors (“<b>Directors</b>”) and officers.</p>

No.	Nature of disclosure	Disclosure
<b>Article 23(1)(f)</b>		
20.	Description of any delegated management function (such as portfolio management or risk management) by the AIFM to third parties, the identity of the delegate(s) and any conflicts of interest that may arise from such delegation(s).	<p>Pursuant to the Trust Deed, the Manager may, with the written consent of the Trustee, delegate certain of its duties in performing its functions in relation to CEREIT, provided that the Manager shall be liable for all acts and omissions of such persons as if such acts or omissions were its own acts or omissions. As disclosed in paragraph 18 above, the Manager has outsourced the following functions:</p> <ul style="list-style-type: none"> <li>(i) property management of CEREIT’s properties to the Property Manager; and</li> <li>(ii) certain operational duties of the Manager in respect of the SPV Owner, in each case subject to the duties and responsibilities of the respective boards of the directors of the SPV Owner.</li> </ul> <p>Potential conflicts of interests have been identified and details of these are set out in the risk factor entitled “The Manager and Property Manager are wholly-owned subsidiaries of the Sponsor. There may be potential conflicts of interest between CEREIT, the Manager and the Property Manager” set out in the section entitled “Risk Factors” of this Offer Information Statement.</p> <p>The Manager has instituted the following procedures to deal with potential conflicts of interest issues:</p> <ul style="list-style-type: none"> <li>(i) the Manager will not manage any other REIT which invests in the same type of properties as CEREIT;</li> <li>(ii) all executive officers will be working exclusively for the Manager and will not hold other executive positions in other entities, save for any wholly-owned subsidiaries of the Manager;</li> <li>(iii) all resolutions in writing of the Directors in relation to matters concerning CEREIT must be approved by at least a majority of the directors of the Manager (excluding any interested director), including at least one independent director;</li> </ul>

No.	Nature of disclosure	Disclosure
		<p>(iv) at least one-third of the board of Directors of the Manager (the “<b>Board</b>”) shall comprise independent directors, provided that where (a) the Chairman of the Board and the Chief Executive Officer is the same person, (b) the Chairman of the Board and the Chief Executive Officer are immediate family members, (c) the Chairman of the Board is part of the management team or (d) the Chairman of the Board is not an independent director, at least half the board shall comprise independent directors;</p> <p>(v) in respect of matters in which a director of the Manager or his associates has an interest, direct or indirect, such interested director will abstain from voting. In such matters, the quorum must comprise a majority of the directors and must exclude such interested director;</p> <p>(vi) In respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, for example, in matters relating to (A) potential acquisitions of additional properties or property-related investments by CEREIT in competition with the Sponsor and/or its subsidiaries; and (B) competition for tenants between properties owned by CEREIT and properties owned by the Sponsor and/or its subsidiaries, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent their interests will abstain from deliberation and voting on such matters. In such matters, the quorum must comprise a majority of the independent directors and must exclude nominee directors of the Sponsor and/or its subsidiaries;</p> <p>(vii) save as to resolutions relating to the removal of the Manager, the Manager and its associates are prohibited from voting or being counted as part of a quorum for any meeting of the Unitholders convened to approve of any matter in which the Manager and/or any of its associates has a material interest and for so long as the Manager is the manager of CEREIT, the controlling shareholders of the Manager and of any of its associates are prohibited from voting or being counted as part of a quorum for any meeting of Unitholders convened to consider a matter in respect of which the relevant controlling shareholders of the Manager and/or of any of its associates have a material interest; and</p>

No.	Nature of disclosure	Disclosure
		<p>(viii) it is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of CEREIT with a Related Party<sup>1</sup> of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of CEREIT, has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The directors of the Manager (including its independent directors) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of CEREIT with a Related Party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against a Related Party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party.</p> <p>The Manager has established an internal control system to ensure that all future Related Party Transactions<sup>2</sup> will be undertaken on normal commercial terms and will not be prejudicial to the interests of CEREIT and the Unitholders.</p> <p>Cromwell Investment Services Limited had been appointed as the alternative investment fund manager of the AIFs, the two alternative investment funds holding the Italian properties. The UK AIFM had received its management passport from the FCA. The UK AIFM had on 22 November 2017 entered into the Delegation Agreement, pursuant to which the UK AIFM delegated portfolio management responsibility in respect of the AIFs to the Manager, and the Delegation Agreement took effect on the Listing Date when the UK AIFM made a notification of delegation to the FCA.</p>

1 "Related Party" means an Interested Person (as defined in the listing manual of the SGX-ST) and/or, as the case may be, an Interested Party (as defined in the Property Funds Appendix).

2 "Related Party Transaction" means an Interested Person Transaction and/or an Interested Party Transaction.

No.	Nature of disclosure	Disclosure
21.	Description of any safe-keeping function delegated by the AIF's depositary, the identity of the delegate(s) and any conflicts of interest that may arise from such delegation(s).	This is not applicable as CEREIT is not obliged to appoint a depositary within the meaning of the AIFM Directive.
<b>Article 23(1)(g)</b>		
22.	Description of the AIF's valuation procedure.	<p>Paragraph 8.1 of the Property Funds Appendix requires CEREIT to conduct a full valuation of its real estate assets at least once per financial year, in accordance with any applicable code of practice for such valuations. Generally, where the Manager proposes to issue new Units (except in the case where new Units are being issued in payment of the Manager's management fees) or to redeem existing Units, and CEREIT's real estate assets were valued more than six months ago, a valuation of the real properties held by CEREIT must be carried out in accordance with the Property Funds Appendix. The Manager or the Trustee may at any other time arrange for the valuation of any of the real properties held by CEREIT if it is of the opinion that it is in the best interest of Unitholders to do so.</p> <p>CEREIT engages independent professional valuers with the appropriate professional qualifications and experience in the location and category of the real estate assets being valued.</p>
23.	Description of the AIF's pricing methodology for valuing assets (including the methods used in valuing hard-to-value assets).	<p>CEREIT's real estate assets are stated at fair value, with changes in fair values being recognised in the Statement of Total Return. The CEREIT group engages independent professional valuers with the appropriate professional qualifications and experience in the location and category of the real estate assets being valued to determine the fair value of its real estate assets.</p> <p>The fair value of the CEREIT group's real estate assets (including those held through its associates and joint ventures) is determined by independent real estate valuation experts using approved valuation methodologies. In determining the fair value of CEREIT's real estate assets, the valuers have used valuation methods which involve estimates and discount rates applicable to those real estate assets.</p>

No.	Nature of disclosure	Disclosure				
<b>Article 23(1)(h)</b>						
24.	Description of the AIF's liquidity risk management (including redemption rights in normal and exceptional circumstances and existing redemption arrangements with investors).	<p>CEREIT's cash flow position and working capital are to be monitored closely to ensure that there are adequate liquid reserves in terms of cash and credit facilities to meet its short-term obligations. Steps have been taken to plan early for funding and expense requirements so as to manage the cash position at any point in time.</p> <p>For so long as the Units are listed and traded on the SGX-ST, the Unitholders have no right to request the Manager to repurchase or redeem their Units. Unitholders may only deal in their listed Units through trading on the SGX-ST.</p>				
<b>Article 23(1)(i)</b>						
25.	Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors.	<p>Information on the fees and charges payable by CEREIT are set out as follows.</p> <table border="0" data-bbox="630 795 1401 1832"> <thead> <tr> <th data-bbox="630 795 965 840" style="text-align: center;"><b>Payable by CEREIT</b></th> <th data-bbox="965 795 1401 840" style="text-align: center;"><b>Amount payable</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="630 862 965 974">(a) Management Fee (payable to the Manager)</td> <td data-bbox="965 862 1401 1832"> <p><b>Base Fee</b></p> <p>0.23% per annum of CEREIT's Deposited Property (as defined in the Trust Deed) (less the UK AIFM Management Fees).</p> <p><b>Performance Fee</b></p> <p>25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.</p> <p>The Performance Fee is payable if the DPU in any financial year exceeds the DPU in the preceding financial year, notwithstanding that the DPU in the financial year where the Performance Fee is payable may be less than the DPU in any preceding financial year.</p> </td> </tr> </tbody> </table>	<b>Payable by CEREIT</b>	<b>Amount payable</b>	(a) Management Fee (payable to the Manager)	<p><b>Base Fee</b></p> <p>0.23% per annum of CEREIT's Deposited Property (as defined in the Trust Deed) (less the UK AIFM Management Fees).</p> <p><b>Performance Fee</b></p> <p>25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.</p> <p>The Performance Fee is payable if the DPU in any financial year exceeds the DPU in the preceding financial year, notwithstanding that the DPU in the financial year where the Performance Fee is payable may be less than the DPU in any preceding financial year.</p>
<b>Payable by CEREIT</b>	<b>Amount payable</b>					
(a) Management Fee (payable to the Manager)	<p><b>Base Fee</b></p> <p>0.23% per annum of CEREIT's Deposited Property (as defined in the Trust Deed) (less the UK AIFM Management Fees).</p> <p><b>Performance Fee</b></p> <p>25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.</p> <p>The Performance Fee is payable if the DPU in any financial year exceeds the DPU in the preceding financial year, notwithstanding that the DPU in the financial year where the Performance Fee is payable may be less than the DPU in any preceding financial year.</p>					

No.	Nature of disclosure	Disclosure
		<p><b>Management Fee to be paid in cash or Units</b></p> <p>The Base Fee and Performance Fee are payable to the Manager in the form of cash and/or Units (as the Manager may elect), in such proportions as may be determined by the Manager.</p> <p>(b) Trustee's Fee      Up to 0.015% per annum of the value of the Deposited Property, subject to a minimum of S\$15,000 per month, excluding out-of-pocket expenses and GST in accordance with the Trust Deed.</p> <p>The actual fee payable will be determined between the Manager and the Trustee from time to time.</p> <p>(c) Any other substantial fee or charge (i.e. 0.1% or more of CEREIT's asset value)</p> <p><i>Payable to the Manager or its nominee</i></p> <p>(i) Acquisition Fee      1.0% (or such lower percentage as may be determined by the Manager in its absolute discretion) of each of the following as is applicable (subject to there being no double-counting) (and less any Acquisition Fee paid to the Property Manager):</p> <ul style="list-style-type: none"> <li>• the gross acquisition price of any real estate purchased, whether directly or indirectly through one or more SPVs, by CEREIT (plus any other payments in addition to the acquisition price made by CEREIT or its SPVs to the vendor in connection with the purchase of the real estate) (pro-rated, if applicable, to the proportion of CEREIT's interest);</li> </ul>

No.	Nature of disclosure	Disclosure
		<ul style="list-style-type: none"> <li>• the gross underlying value of any real estate which is taken into account when computing the acquisition price payable for the equity interests of any vehicle holding directly or indirectly the real estate purchased by CEREIT, whether directly or indirectly through one or more SPVs (plus any additional payments made by CEREIT or its SPVs to the vendor in connection with the purchase of such equity interests) (pro-rated, if applicable, to the proportion of CEREIT's interest); or</li> <li>• the gross acquisition price of any investment purchased by CEREIT, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPV owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate,</li> </ul> <p>(the "<b>Acquisition Fee</b>").</p> <p>The Acquisition Fee is payable to the Manager in the form of cash and/or Units (as the Manager may elect), in such proportions as may be determined by the Manager.</p> <p>Any payment to third party agents or brokers in connection with the acquisition of any assets of CEREIT shall be paid to such persons out of the Deposited Property of CEREIT or the assets of the relevant SPV, and not out of the Acquisition Fee received or to be received by the Manager.</p>

No.	Nature of disclosure	Disclosure
		<p>(ii) Divestment Fee 0.5% (or such lower percentage as may be determined by the Manager in its absolute discretion) of each of the following as is applicable (subject to there being no double-counting) (and less any Divestment Fee paid to the Property Manager):</p> <ul style="list-style-type: none"> <li>• the gross sale price of any real estate sold or divested, whether directly or indirectly through one or more SPVs, by CEREIT (plus any other payments in addition to the sale price received by CEREIT or its SPVs from the purchaser in connection with the sale or divestment of the real estate) (pro-rated, if applicable, to the proportion of CEREIT's interest);</li> <li>• the gross underlying value of any real estate which is taken into account when computing the sale price for the equity interests in any vehicle holding directly or indirectly the real estate, sold or divested, whether directly or indirectly through one or more SPVs, by CEREIT (plus any additional payments received by CEREIT or its SPVs from the purchaser in connection with the sale or divestment of such equity interests) (pro-rated, if applicable, to the proportion of CEREIT's interest); or</li> </ul>

No.	Nature of disclosure	Disclosure
		<ul style="list-style-type: none"> <li>• the gross sale price of any investment sold or divested by CEREIT, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPV owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate,</li> </ul> <p>(the “<b>Divestment Fee</b>”).</p> <p>The Divestment Fee is payable to the Manager in the form of cash and/or Units (as the Manager may elect), in such proportions as may be determined by the Manager.</p> <p>Any payment to third party agents or brokers in connection with the disposal of any assets of CEREIT shall be paid to such persons out of the Deposited Property of CEREIT or the assets of the relevant SPV, and not out of the Divestment Fee received or to be received by the Manager.</p> <p>(iii) Development Management Fee</p> <p>3.0% of the Total Project Costs incurred in a Development Project (as defined In the Trust Deed) undertaken by the Manager on behalf of CEREIT (the “<b>Development Management Fee</b>”).</p> <p>The Development Management Fee is payable to the Manager in the form of cash and/or Units (as the Manager may elect in its sole discretion).</p>

No.	Nature of disclosure	Disclosure
		<p data-bbox="699 210 928 273"><i>Payable to the Property Manager</i></p> <p data-bbox="699 315 928 443">(iv) Property and Portfolio Management Fee</p> <p data-bbox="986 315 1391 517">0.67% per annum of the Deposited Property (excluding the value of any Property which is not managed by the Property Manager (and the Individual Property Manager)).</p> <p data-bbox="986 555 1391 891">The Property and Portfolio Management Fee is payable to the Property Manager in the form of cash and/or Units (as may be agreed between the Manager and the Property Manager from time to time, and in the event that there is no such agreement, the payment shall be in the form of cash).</p> <p data-bbox="699 931 928 965">(v) Acquisition Fee</p> <p data-bbox="986 931 1391 1234">The Property Manager is entitled to an Acquisition Fee computed in the same manner as the Acquisition Fee payable to the Manager, provided that any Acquisition Fee paid to the Property Manager will reduce the Acquisition Fee paid to the Manager.</p> <p data-bbox="986 1272 1391 1547">For the avoidance of doubt, the aggregate amount of the Acquisition Fee paid to both the Manager and the Property Manager shall not exceed the amount stipulated under Clause 15.2.1 of the Trust Deed that is payable to the Manager.</p> <p data-bbox="986 1585 1391 1883">The Acquisition Fee is payable to the Property Manager in the form of cash and/or Units (as may be agreed between the Manager and the Property Manager from time to time, and in the event that there is no such agreement, the payment shall be in the form of cash).</p>

No.	Nature of disclosure	Disclosure
		<p>(vi) Divestment Fee    The Property Manager is entitled to a Divestment Fee computed in the same manner as the Divestment Fee payable to the Manager, provided that any Divestment Fee paid to the Property Manager will reduce the Divestment Fee paid to the Manager.</p> <p>For the avoidance of doubt, the aggregate amount of the Divestment Fee paid to both the Manager and the Property Manager shall not exceed the amount stipulated under Clause 15.2.1 of the Trust Deed that is payable to the Manager.</p> <p>The Divestment Fee is payable to the Property Manager in the form of cash and/or Units (as may be agreed between the Manager and the Property Manager from time to time, and in the event that there is no such agreement, the payment shall be in the form of cash).</p> <p>(vii) Development Management Fee    The Property Manager is entitled to a Development Management Fee computed in the same manner as the Development Management Fee payable to the Manager, provided that any Development Management Fee paid to the Property Manager will reduce the Development Management Fee paid to the Manager.</p> <p>The Development Management Fee is payable to the Property Manager in the form of cash and/or Units (as may be agreed between the Manager and the Property Manager from time to time, and in the event that there is no such agreement, the payment shall be in the form of cash).</p>

No.	Nature of disclosure	Disclosure
		<p>(viii) Project Management Fee</p> <p>5.0% of the Construction Cost for any refurbishment, retrofitting, addition and alteration or renovation works to the relevant property.</p> <p><b>“Construction Costs”</b> will be incurred where the Property Manager undertakes asset enhancement initiatives and such costs will typically include the cost of all labour, materials and fixtures supplied by the contractor and the sub-contractors, the cost incurred in obtaining the required approvals, licences and permits from the authorities in connection with the proposed construction, the fees payable to the professionals and consultants (such as architects, structural engineers and interior designers), the costs of any surveys and any additional land assembly costs.</p> <p>The Project Management Fee is payable to the Property Manager in the form of cash and/or Units (as may be agreed between the Manager and the Property Manager from time to time, and in the event that there is no such agreement, the payment shall be in the form of cash).</p> <p>(ix) Leasing Fee</p> <p>The Property Manager is entitled to the following leasing fees:</p> <p>(a) (in relation to new leases secured by the Property Manager) 5.0% of the Net Rent Receivable<sup>1</sup> (capped at 20% of the Average Rent Receivable<sup>2</sup>);</p>

1 **“Net Rent Receivable”** means the aggregate gross rent payable over the full terms of the lease, less any incentives and/or rent-frees (which are to be deducted on a straight line basis over the full term of the lease).

2 **“Average Rent Receivable”** means the average yearly Net Rent Receivable.

No.	Nature of disclosure	Disclosure
		<p>(b) (in relation to renewal of leases secured by the Property Manager) 2.5% of the Net Rent Receivable (capped at 10% of the Average Rent Receivable); and</p> <p>(c) (in relation to leases in respect of which fees are owed to a third party agent) 1.0% of the Net Rent Receivable, (capped at 4% of the Average Rent Receivable).</p> <p>The Leasing Fee is payable to the Property Manager in the form of cash and/or Units (as may be agreed between the Manager and the Property Manager from time to time, and in the event that there is no such agreement, the payment shall be in the form of cash).</p> <p>(x) Reimbursables The Property Manager is also entitled to the following reimbursements:</p> <ul style="list-style-type: none"> <li>• <b>Reimbursable Employment Costs:</b> The Intermediate Entities or the SPV Owner shall reimburse the salary, allowances, levies and all other expenses involved for the employment of the employees of the Individual Property Manager (approved by the Manager) engaged solely for site supervision of the Property (such costs are part of the annual business plan and budget approved by the Intermediate Entities or the SPV Owner on the recommendation of the Manager or otherwise agreed between the Intermediate Entities or the SPV Owner and the Manager).</li> </ul>

No.	Nature of disclosure	Disclosure
		<ul style="list-style-type: none"> <li>• <b>Reimbursable Advertising Costs:</b> The Intermediate Entities or the SPV Owner shall reimburse the Individual Property Manager the costs in relation to the promotion of leasing for or sales of the Property provided that prior approval of the Manager for such cost incurred has been obtained.</li> <li>• <b>Project Management Expenses:</b> In connection with the provision of project management services, the Intermediate Entities or the SPV Owner shall reimburse the Individual Property Manager for certain costs provided that such costs shall have been pre-approved by the SPV Owner, on the recommendation of the Manager and in accordance with the project budget.</li> </ul> <p>Payable to the UK AIFM</p> <p>(xi) UK AIFM Management Fee      0.23% of the gross asset value per annum of the AIFs (being Cromwell Europa 1 and Cromwell Europa 2).</p>
<b>Article 23(1)(j)</b>		
26.	Description of how the AIFM ensures a fair treatment of investors and details of any preferential treatment received by investors (including where the right to obtain preferential treatment exists, a description of that preferential treatment, the type of investors who obtain such preferential treatment and, where relevant, their legal or economic links with the AIF or AIFM).	No unfair or preferential treatment is afforded to any Unitholder. Under the Trust Deed, every Unit carries the same voting rights. CEREIT has only issued one class of Units, and as a result will treat all Unitholders equally.

No.	Nature of disclosure	Disclosure
<b>Article 23(1)(k)</b>		
27.	<p>The latest annual report prepared for the AIF (to include, at a minimum:</p> <ul style="list-style-type: none"> <li>(i) a balance sheet or statement of assets and liabilities;</li> <li>(ii) any income and expenditure report for the financial year;</li> <li>(iii) a report on the activities of the financial year;</li> <li>(iv) any material changes in Article 23 disclosures during the financial year covered by the report;</li> <li>(v) the total amount of remuneration for the financial year, split into fixed and variable remuneration, paid by the AIFM to its staff, and number of beneficiaries, and, where relevant, carried interest paid by the AIF; and</li> <li>(vi) the aggregate amount of remuneration broken down by senior management and members of staff of the AIFM whose actions have a material impact on the risk profile of the AIF).</li> </ul>	This is not applicable as CEREIT has yet to issue its first annual report.

No.	Nature of disclosure	Disclosure
<b>Article 23(1)(l)</b>		
28.	The procedure and conditions for the issue and sale of units or shares.	<p>Pursuant to the Trust Deed, the Manager shall have the exclusive right to effect for the account of CEREIT the issuance of Units. The issuance of any Units by the Manager must be in compliance with the Listing Manual and the Trust Deed, which sets out the approvals required from Unitholders and the restrictions on the price of the Units to be issued.</p> <p>For so long as the Units are listed and traded on the SGX-ST, the Unitholders have no right to request the Manager to repurchase or redeem their Units. Unitholders may only deal in their listed Units through trading on the SGX-ST.</p>
<b>Article 23(1)(m)</b>		
29.	The latest net asset value of the AIF or the latest market price of the unit or share of the AIF, calculated in accordance with the law of the country where the AIF is established <sup>1</sup> and/or the AIE rules or instruments of incorporation.	The latest net asset value as announced by the Manager is €872.1 million as at 30 September 2018, and the market price of each Unit as at the Latest Practicable Date is €0.515. CEREIT's Unit price is publicly available from the SGX-ST website, CEREIT's corporate website and from financial information vendors.
<b>Article 23(1)(n)</b>		
30.	Details of the historical performance of the AIF (where available).	Information on the accounts of CEREIT may be obtained from the Prospectus. Information on the financial performance of CEREIT since its listing on the SGX-ST may be obtained from the quarterly financial results announcements released by CEREIT via CEREIT's corporate website or SGXNET.
<b>Article 23(1)(o)</b>		
31.	The identity of the prime broker.	This is not applicable.
32.	Description of any material arrangements of the AIF with its prime brokers and the way the conflicts of interest in relation thereto are managed.	This is not applicable.

<sup>1</sup> The valuation must either be performed by an external valuer (being a legal or natural person independent from the AIF, AIFM and any other persons with close links to the AIF or AIFM) or the AIFM itself, provided that the valuation is functionally independent from the portfolio management and the remuneration policy and other measures ensure that conflicts of interest are mitigated and that undue influence upon the employees is prevented. If an external valuer performs the valuation, the AIFM must be able to demonstrate that the external valuer is subject to mandatory professional registration, that they can provide sufficient professional guarantees that they can carry out the valuation, and that the appointment is justified on objective grounds.

No.	Nature of disclosure	Disclosure
33.	Details of the provision in the contract with the AIF's depositary on the possibility of transfer and reuse of AIF assets.	This is not applicable.
34.	Information about any transfer of liability to the prime broker that may exist.	This is not applicable.
<b>Article 23(1)(p)</b>		
35.	<p>Details of how and when the AIFM will provide reports on the following topics to its investors in relation to each EU AIF that it manages and each AIF that it markets within the EU:</p> <p>(i) the percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature;</p> <p>(ii) any new arrangements for managing the liquidity of the AIF; and</p> <p>(iii) the current risk profile of the AIF and the risk management systems employed by the AIFM to manage those risks.</p>	The Manager will make the relevant announcement via SGXNET in the event that there is material information on these topics to be disclosed in accordance with the prevailing listing rules of the SGX-ST. The announcement will be publicly available to all investors.

No.	Nature of disclosure	Disclosure
36.	<p>Details of how and when the AIFM will (when managing EU AIFs employing leverage or marketing in the EU AIFs employing leverage) will disclose, for each AIF, on a regular basis:</p> <p>(i) any changes to the maximum level of leverage which the AIFM may employ on behalf of the AIF as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement; and</p> <p>(ii) the total amount of leverage employed by that AIF.</p>	<p>The Manager makes periodic disclosures about CEREIT's borrowings and debt securities during its quarterly financial reporting, and such information will be made available to investors via the announcements released on SGXNET or the published annual report.</p> <p>Please refer to the disclosure in paragraph 10 above on the permitted maximum level of leverage as stated in the Property Funds Appendix. Any changes to the Property Funds Appendix (as far as maximum level of leverage is concerned) may be communicated by way of publication of notices on the MAS website which can be found at <a href="http://www.mas.gov.sg/">http://www.mas.gov.sg/</a>.</p>

In relation to this Offer Information Statement

Dated 23 November 2018

**Directors of Cromwell EREIT Management Pte. Ltd.  
(as manager of CEREIT)**

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Mr Lim Swe Guan  
Chairman and Independent  
Non-Executive Director

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Ms Fang Ai Lian  
Independent Non-Executive Director  
and Chairman of the Audit and  
Risk Committee

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Mr Christian Delaire  
Independent Non-Executive Director and  
Chairman of the Nominating and  
Remuneration Committee

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Mr Paul Weightman  
Non-Independent Non-Executive Director

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Mr Simon Garing  
Executive Director and  
Chief Executive Officer

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