

BHG RETAIL REIT

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

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

BHG Retail Trust Management Pte. Ltd., as manager of BHG Retail REIT (the “**Manager**”), wishes to announce that DBS Trustee Limited (in its capacity as trustee of BHG Retail REIT) (the “**Trustee**”) has entered into a S\$240,000,000 facilities agreement (the “**Facilities Agreement**”) between, among others, (i) the Trustee, as borrower (the “**Borrower**”), (ii) the banks and financial institutions listed in Schedule 1 thereto (the “**Lenders**”) and (iii) DBS Bank Ltd., as facility agent (the “**Facility Agent**”), for the grant of facilities of up to S\$240,000,000 (the “**Facilities**”).

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

Under the terms and conditions of the Facilities Agreement, if:

- (a) Beijing Hua Lian Group (Singapore) International Trading Pte. Ltd. and Beijing Hualian Department Store Co., Ltd. do not or cease to collectively own and maintain (directly or indirectly) at least 30 per cent. of issued units of BHG Retail REIT; or
- (b) the Manager is not or ceases to be a direct or indirect wholly owned subsidiary of Beijing Hualian Department Store Co., Ltd.,

(collectively, the “**BHG Events**”), the Facility Agent shall (unless otherwise agreed by all the Lenders), by notice to the Borrower, cancel the total commitments and declare all outstanding loans, together with accrued interest, and all other amounts accrued or outstanding under the Facilities immediately due and payable, whereupon the total commitments will be cancelled and all such outstanding amounts will become immediately due and payable without fee, premium or penalty.

As of the date of this announcement, none of the BHG Events described above has occurred. In the event any BHG Event occurs, it may cause a default in the Facilities and may also trigger cross defaults of the other facilities of BHG Retail REIT. As at the date of this announcement, the aggregate amount of facilities that may be affected is approximately S\$224 million (excluding interest and fees).

BY ORDER OF THE BOARD

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

Chan Iz-Lynn
Chief Executive Officer
20 March 2019

IMPORTANT NOTICE

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

This announcement is not an offer or sale of the Units in the United States or any other jurisdiction. The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. Any public offering of the Units in the United States would be made by means of a prospectus that would contain detailed information about BHG Retail REIT, the Manager and its management, as well as financial statements. There is no intention to register any portion of the offering in the United States or to conduct a public offering of securities in the United States. The Units are being offered and sold outside the United States (including to institutional and other investors in Singapore) in reliance on Regulations under the Securities Act.

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