

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, EUROPEAN ECONOMIC AREA, THE UNITED KINGDOM (OTHER THAN TO ELIGIBLE UK INVESTORS), CANADA, JAPAN OR AUSTRALIA.



**CAPITALAND ASCOTT TRUST**

A stapled group comprising:

**CapitaLand Ascott Real Estate Investment Trust**  
 (A real estate investment trust constituted on 19 January 2006 under the laws of the Republic of Singapore)

**CapitaLand Ascott Business Trust**  
 (A business trust constituted on 9 September 2019 under the laws of the Republic of Singapore)

Managed by  
**CapitaLand Ascott Trust Management Limited**  
 (Company Registration No. 200516209Z)

Managed by  
**CapitaLand Ascott Business Trust Management Pte. Ltd.**  
 (Company Registration No. 201925299R)

**ANNOUNCEMENT**

**LAUNCH OF EQUITY FUND RAISING TO RAISE GROSS PROCEEDS OF NO LESS THAN APPROXIMATELY S\$300.0 MILLION**

Principal Terms of the Issue	Description
<b>Issue Price Range</b>	Between S\$1.041 and S\$1.065 for each Private Placement New Stapled Security Between S\$1.025 and S\$1.044 for each Preferential Offering New Stapled Security
<b>Discount</b>	The Private Placement Issue Price Range represents a discount of between: (i) approximately 4.9% and 7.0% to the VWAP of S\$1.1195 per Stapled Security of all trades in the Stapled Securities on the SGX-ST for the preceding Market Day on 1 August 2023, up to the time the Underwriting Agreement was signed on 2 August 2023; and (ii) (for illustrative purposes only) approximately 1.8% and 4.0% to the Adjusted VWAP of S\$1.0848 per Stapled Security.  The Preferential Offering Issue Price Range represents a discount of between: (i) approximately 6.7% and 8.4% to the VWAP of S\$1.1195 per Stapled Security; and (ii) (for illustrative purposes only) approximately 3.8% and 5.5% to the Adjusted VWAP of S\$1.0848 per Stapled Security.  Please refer to paragraph 2 below for further details.
<b>Allotment Ratio</b>	The allotment ratio for the Preferential Offering will be announced by the Managers via SGXNET once the Preferential Offering Issue Price has been determined.
<b>Use of Proceeds</b>	Please refer to paragraph 3 below.
<b>Purpose of Issue</b>	Please refer to paragraphs 3 and 4 below.

## 1. INTRODUCTION

CapitaLand Ascott Trust Management Limited (as manager of CapitaLand Ascott Real Estate Investment Trust (“**CapitaLand Ascott REIT**”)) and CapitaLand Ascott Business Trust Management Pte. Ltd. (as trustee-manager of CapitaLand Ascott Business Trust (“**CapitaLand Ascott BT**”, and together with CapitaLand Ascott Trust Management Limited, the “**Managers**”)), wish to announce the launch of a proposed equity fund raising comprising an offering of new stapled securities in CapitaLand Ascott Trust (“**CLAS**”), consisting of units in CapitaLand Ascott REIT and units in CapitaLand Ascott BT (“**Stapled Securities**”, and such new Stapled Securities, the “**New Stapled Securities**”), to raise gross proceeds of no less than approximately S\$300.0 million by way of:

- (i) a private placement of between 187,794,000 and 192,123,000 New Stapled Securities (the “**Private Placement New Stapled Securities**”) to institutional and other investors at an issue price of between S\$1.041 and S\$1.065 per Private Placement New Stapled Security (both figures inclusive) (the “**Private Placement Issue Price Range**”), so as to raise gross proceeds of no less than approximately S\$200.0 million (the “**Private Placement**”); and
- (ii) a pro rata and non-renounceable preferential offering of up to 100,538,407 New Stapled Securities (the “**Preferential Offering New Stapled Securities**”) to Eligible Stapled Securityholders (as defined herein) at an issue price of between S\$1.025 and S\$1.044 per Preferential Offering New Stapled Security (the “**Preferential Offering Issue Price Range**”), so as to raise gross proceeds of approximately S\$100.0 million (the “**Preferential Offering**”),

(the Private Placement and the Preferential Offering are hereinafter collectively referred to as the “**Equity Fund Raising**”).

Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the announcement dated 2 August 2023 titled “*Entry into a Memorandum of Understanding, in respect of the proposed acquisitions of (A) a 100.0% interest in The Cavendish London, (B) a 100.0% interest in Temple Bar Hotel, and (C) a 100.0% interest in Ascott Kuningan Jakarta, as interested person transactions*”, relating to the memorandum of understanding entered into by the Managers in respect of the proposed acquisition of: (a) 100.0% of the shares in Ascott St James (Jersey) Limited which indirectly holds The Cavendish London, (b) Temple Bar Hotel, and (c) 100.0% of the shares in each of Ascott Kuningan (S) Pte. Ltd. and Ascott Tower (S) Pte. Ltd., both of which indirectly hold Ascott Kuningan Jakarta (the “**Proposed Acquisitions**”, and the announcement, the “**MOU Announcement**”).

For illustrative purposes, certain AUD and GBP amounts have been translated into Singapore dollars. Unless otherwise indicated, such translations have been made based on the illustrative exchange rates of AUD 1.00 = S\$0.9201 and GBP 1.00 = S\$1.73159 respectively. Such translations should not be construed as representations that the AUD and GBP amounts referred to could have been, or could be, respectively converted into Singapore dollars, as the case may be, at that or any other rate or at all.

## 2. DETAILS OF THE EQUITY FUND RAISING

The Managers, Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd. and United Overseas Bank Limited (the “**Joint Lead Managers, Bookrunners and Underwriters**”) have today entered into an underwriting agreement (the “**Underwriting Agreement**”) pursuant to which each of the Joint Lead Managers, Bookrunners and Underwriters has severally (and not jointly nor jointly and severally) agreed to:

- (i) procure subscribers for, or failing which, to subscribe for such proportion of the Private Placement New Stapled Securities at the issue price per Private Placement New Stapled Security to be issued under the Private Placement (the “**Private Placement Issue Price**”); and
- (ii) procure subscribers for, or failing which, to subscribe for such proportion of the Preferential Offering New Stapled Securities at the issue price per Preferential Offering New Stapled Security to be issued under the Preferential Offering (the “**Preferential Offering Issue Price**”),

in each case as set out in the Underwriting Agreement. The Equity Fund Raising shall be subject to certain conditions precedent set out in the Underwriting Agreement.

In relation to the Equity Fund Raising, certain parties have each provided an irrevocable undertaking to the Managers and the Joint Lead Managers, Bookrunners and Underwriters, the details of which are set out in paragraph 9 below.

The Private Placement Issue Price Range represents a discount of between:

- (i) approximately 4.9% and 7.0% to the volume weighted average price (“**VWAP**”) of S\$1.1195 per Stapled Security of all trades in the Stapled Securities on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the preceding Market Day<sup>1</sup> on 1 August 2023, up to the time the Underwriting Agreement was signed on 2 August 2023; and
- (ii) (for illustrative purposes only) approximately 1.8% and 4.0% to the adjusted VWAP (“**Adjusted VWAP**”) <sup>2</sup> of S\$1.0848 per Stapled Security.

The Preferential Offering Issue Price Range represents a discount of between:

- (i) approximately 6.7% and 8.4% to the VWAP of S\$1.1195 per Stapled Security; and
- (ii) (for illustrative purposes only) approximately 3.8% and 5.5% to the Adjusted VWAP of S\$1.0848 per Stapled Security.

The Private Placement Issue Price will be determined by the Managers and the Joint Lead Managers, Bookrunners and Underwriters following a book-building process. The

---

1 “**Market Day**” refers to a day on which the SGX-ST is open for securities trading.

2 The Adjusted VWAP is computed based on the VWAP of all trades in the Stapled Securities on the SGX-ST for the Market Day on 1 August 2023 (being the Market Day preceding the date on which the Underwriting Agreement was signed), up to the time the Underwriting Agreement was signed on 2 August 2023 and subtracting (i) the Advanced Distribution (as defined herein) of approximately 0.694 Singapore cents per Stapled Security (being the mid-point of the estimated Advanced Distribution) and (ii) the 1H2023 Distribution (as defined herein) of 2.778 Singapore cents per Stapled Security. The amount of Advanced Distribution of approximately 0.694 Singapore cents per Stapled Security (being the mid-point of the estimated Advanced Distribution) is only an estimate based on information currently available to the Managers, and the actual Advanced Distribution may differ.

Preferential Offering Issue Price will be determined once the Private Placement Issue Price has been determined. The Managers will make further announcements via SGXNET once the Private Placement Issue Price and the Preferential Offering Issue Price have been determined.

### 3. USE OF PROCEEDS

Subject to relevant laws and regulations, the Managers intend to use the gross proceeds of no less than approximately S\$300.0 million from the Equity Fund Raising in the following manner:

- (i) approximately S\$170.2 million (which is equivalent to approximately 56.7% of the gross proceeds of the Equity Fund Raising) to partially fund the Proposed Acquisitions<sup>3</sup> and the associated costs, subject to completion of negotiations with the vendor and satisfactory due diligence<sup>4</sup>;
- (ii) approximately S\$82.8 million (which is equivalent to approximately 27.6% of the gross proceeds of the Equity Fund Raising) to finance CLAS' estimated costs for the proposed extension and renovation of a hotel in Australia, Novotel Sydney Central (the "**Proposed Australia Hotel Extension and Renovation**");
- (iii) approximately S\$19.9 million (which is equivalent to approximately 6.7% of the gross proceeds of the Equity Fund Raising) to finance CLAS' estimated costs for the proposed renovation of a serviced residence in the United Kingdom, Citadines Holborn-Covent Garden London (the "**Proposed UK Serviced Residence Renovation**");
- (iv) approximately S\$21.3 million (which is equivalent to approximately 7.1% of the gross proceeds of the Equity Fund Raising) to be used for debt repayment purposes (including debt previously drawn down for investments, developments and/or asset enhancement initiatives ("**AEIs**")); and
- (v) approximately S\$5.8 million (which is equivalent to approximately 1.9% of the gross proceeds of the Equity Fund Raising) to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by CLAS in connection with the Equity Fund Raising,

with the balance of the gross proceeds of the Equity Fund Raising, if any, to be used for the repayment of existing indebtedness and/or general corporate and/or working capital purposes.

Notwithstanding their current intention, in the event that the Equity Fund Raising is completed but the Proposed Acquisitions do not proceed for whatever reason (such as

---

3 The Proposed Acquisitions will constitute "interested person transactions" under Chapter 9 of the Listing Manual (as defined herein) as well as "interested party transactions" under the Property Funds Appendix (Appendix 6 of the Code on Collective Investment Schemes) issued by the Monetary Authority of Singapore (the "**Property Funds Appendix**"), in respect of which the approval of Stapled Securityholders will be required.

4 The Managers are currently in the process of conducting due diligence on the properties and it may or may not proceed with the Proposed Acquisitions. The Managers will make appropriate announcements in relation to the Proposed Acquisitions in due course in accordance with the Listing Manual (as defined herein).

Stapled Securityholders not approving the Proposed Acquisitions), the Managers may, subject to relevant laws and regulations, utilise the net proceeds of the Equity Fund Raising at their absolute discretion for other purposes, including without limitation, for funding future acquisitions, the repayment of existing indebtedness and/or for funding capital expenditure.

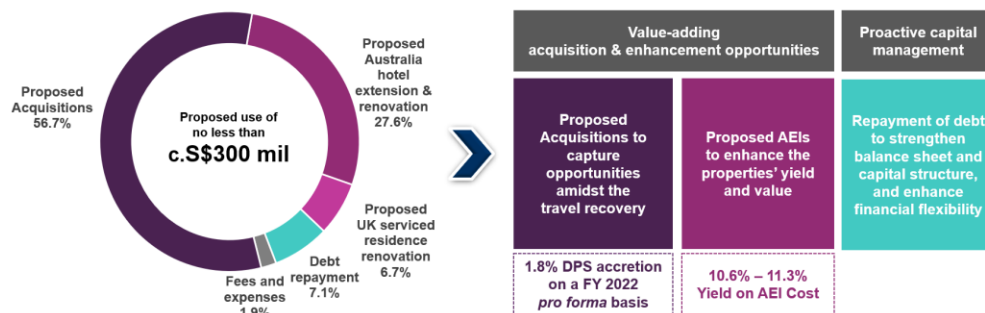
The Managers will make periodic announcements on the utilisation of the net proceeds of the Equity Fund Raising via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where proceeds are to be used for working capital purposes, the Managers will disclose a breakdown with specific details on the use of proceeds for working capital in CLAS' announcements on the use of proceeds and in CLAS' annual report and where there is any material deviation from the stated use of proceeds, the Managers will announce the reasons for such deviation.

Pending the deployment of the net proceeds of the Equity Fund Raising, the net proceeds 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 Managers may, in their absolute discretion, deem fit.

#### 4. RATIONALE FOR AND KEY BENEFITS OF THE EQUITY FUND RAISING

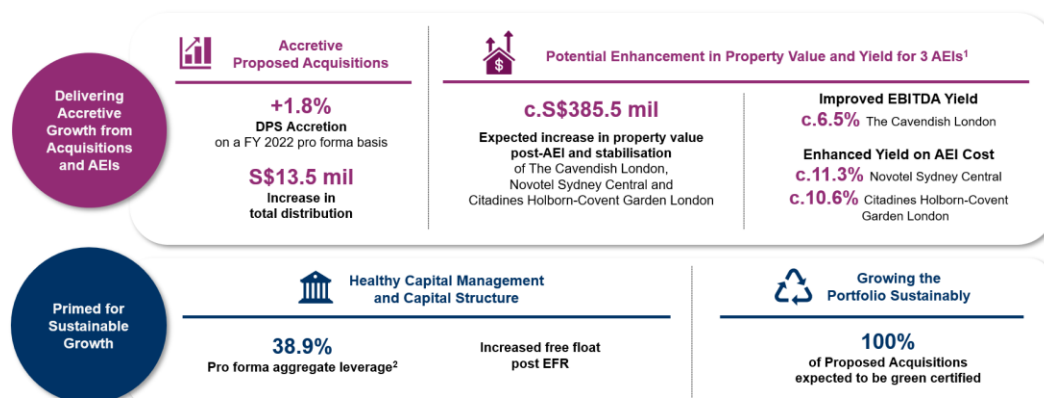
### EFR Rationale and Use of Proceeds

Augmenting CLAS' portfolio with acquisitions and enhancement opportunities that add value, while strengthening its financial position



The Managers intend to use the net proceeds of the Equity Fund Raising towards the Proposed Acquisitions, the Proposed Australia Hotel Extension and Renovation, the Proposed UK Serviced Residence Renovation and debt repayment, which will bring the following benefits to Stapled Securityholders as set out below.

## Delivering Growth & Long-Term Value



### Notes:

- (1) Based on the independent valuations by Colliers (as defined herein) and HVS (as defined herein).
- (2) Immediately after the Equity Fund Raising and taking into account the Proposed Acquisitions, including the Milestone Payment (as defined herein).

#### 4.1 Benefits of the Proposed Acquisitions

The Managers intend to use part of the gross proceeds of the Equity Fund Raising to partially fund the total acquisition outlay of the Proposed Acquisitions of approximately S\$378.6 million.

See the MOU Announcement for further details on the rationale of the Proposed Acquisitions.

#### 4.2 Benefits of the Proposed Australia Hotel Extension and Renovation and the Proposed UK Serviced Residence Renovation

The Managers also intend to use part of the gross proceeds of the Equity Fund Raising to finance the Proposed Australia Hotel Extension and Renovation and the Proposed UK Serviced Residence Renovation.

##### 4.2.1 Novotel Sydney Central (“NSC”)

NSC has an excellent location and is underpinned by key demand drivers.

The property is located within walking distance of Darling Harbour and the International Convention Centre in Sydney’s central business district (“**CBD**”) and close to the city’s leading entertainment precinct, exhibition venues and local attractions. The property is near to Central Station. Central Station is a key transport hub and connects the area with other parts of Sydney’s CBD and Circular Quay (where Sydney Opera House is located) which makes NSC highly accessible to the key demand drivers in Sydney. The area around Central Station has been designated as a State Significant Precinct and has been earmarked by the New South Wales government<sup>5</sup> in its master plan to become a technology precinct

<sup>5</sup> New South Wales Government website – State-significant Precinct: Central Sydney Precinct, retrieved 30 July 2023.

comprising offices, retail offerings, hotels and residential homes. Several multi-billion office developments are expected to be completed around 2027<sup>6</sup>.

Key to the Proposed Australia Hotel Extension and Renovation is the addition of eight floors and 72 rooms (approximately 28% increase from the existing room inventory) in the airspace above the carpark podium, which is expected to increase revenue for the property. The total gross floor area of NSC is expected to increase by approximately 10% (approximately 2,400 sq m). Development approval has been sought and obtained for the proposed additional room inventory in this brownfield project. Other works to be carried out at the property include the refurbishment of the existing 255 rooms, lift lobbies and corridors, the reconfiguration of the ground floor lobby, the addition of a new retail space on the ground floor, façade works, as well as other replacements and upgrades. The Proposed Australia Hotel Extension and Renovation is expected to take place from the fourth quarter of 2024 to the first quarter of 2026.

The Sydney hotel market has posted a strong recovery, with revenue per available unit (“RevPAU”) at 104% of pre-COVID-19 levels as of March 2023<sup>7</sup>, mainly led by domestic travel. Further increase is expected from the return of international visitors, corporate and MICE demand.

The above-mentioned works and addition of room inventory are expected to improve the competitiveness of the property amidst the recovery of the travel sector, and enhance its value and yield. The valuation<sup>8</sup> is expected to be approximately AUD 339.8 million (approximately S\$312.6 million) following the extension, renovation and stabilisation of the property in 2028, which is approximately AUD 173.3 million (approximately S\$159.5 million) higher than the valuation as at 31 December 2022 of AUD 166.5 million (approximately S\$153.2 million). Based on the valuation by Colliers, the incremental earnings before interest, taxes, depreciation and amortisation (“EBITDA”) on stabilisation is expected to amount to approximately AUD 10.1 million (approximately S\$9.3 million) which translates to yield on AEI cost<sup>9</sup> of approximately 11.3%.

#### 4.2.2 Citadines Holborn-Covent Garden London

Citadines Holborn-Covent Garden London is ideally located in Holborn, at the heart of London’s historical and cultural precinct and close to Covent-Garden, the city’s main theatre and entertainment district.

The Proposed UK Serviced Residence Renovation, which is expected to take place from the third quarter of 2023 to the first quarter of 2024 includes the refurbishment of the existing 192 apartment units, corridors, the refresh of the façade, public areas

---

6 Fraser Property (October 2022) - “Central Place Sydney receives DA approval from city of Sydney.”

7 JLL APPD Sydney Market Report (9 June 2023).

8 Based on valuation by Colliers International Consultancy & Valuation (Singapore) Pte Ltd (“Colliers”) commissioned by CapitalLand Ascott Business Trust Management Pte. Ltd. (as trustee-manager of CapitalLand Ascott BT).

9 Based on stabilised EBITDA before Furniture, Fixtures, and Equipment (“FF&E”) reserves in 2028 versus EBITDA in 2019 over estimated project cost attributable to CLAS of AUD 90.0 million (approximately S\$82.8 million).

and facilities such as gyms and meeting rooms, as well as other replacements and upgrades.

London is a key market for CLAS. Apart from Citadines Holborn-Covent Garden London, CLAS has three other properties in London, namely Citadines Trafalgar Square London, Citadines Barbican London and Citadines South Kensington London. London market's RevPAU for the first half of 2023 was 112% of the same period in 2019<sup>10</sup>.

The above-mentioned works are expected to enable the property to uplift room rates. The Proposed UK Serviced Residence Renovation is also expected to enhance the value and yield of the property. The valuation<sup>11</sup> is expected to be GBP 125.3 million (approximately S\$217.0 million) following the renovation and stabilisation of the property in 2025, which is approximately GBP 29.5 million (approximately S\$51.1 million) higher than the valuation as at 31 December 2022 of GBP 95.8 million (approximately S\$165.9 million). Based on the valuation by HVS, the incremental EBITDA is expected to be approximately GBP 1.2 million (approximately S\$2.1 million) which translates to the yield on AEI cost<sup>12</sup> of approximately 10.6%.

#### **4.3 Strengthen CLAS' balance sheet and capital structure and enhance its financial flexibility**

CLAS' Aggregate Leverage<sup>13</sup> is expected to decrease from the current approximately 38.6% to approximately 34.8% immediately after the Equity Fund Raising, pending deployment of the net proceeds of the Equity Fund Raising and assuming the net proceeds of the Equity Fund Raising are fully used to repay debt facilities, as illustrated below.

FOR ILLUSTRATIVE PURPOSES ONLY:

CLAS' Aggregate Leverage will be approximately 38.9% immediately after the Equity Fund Raising, assuming that the Proposed Acquisitions (including the Milestone Payment<sup>14</sup>) are funded immediately after the Equity Fund Raising and the remaining net proceeds of the Equity Fund Raising are used to repay debt facilities.

CLAS' Aggregate Leverage will be approximately 39.0% immediately after the Equity Fund Raising, assuming that the Proposed Acquisitions (including the Milestone Payment), the Proposed Australia Hotel Extension and Renovation and the Proposed UK Serviced Residence Renovation are funded immediately after the Equity Fund Raising and taking into account the associated increase in property valuation post renovation and stabilisation of

---

10 Source: Extracted from STR database.

11 Based on valuation by SG&R Valuation Services Company LLC (HVS London) ("HVS") commissioned by CapitalLand Ascott Trust Management Limited (as manager of CapitalLand Ascott REIT).

12 Based on stabilised EBITDA before FF&E reserves in 2025 versus EBITDA in 2019 over estimated project cost attributable to CLAS of GBP 11.5 million (approximately S\$19.9 million).

13 "**Aggregate Leverage**" is defined in the Property Funds Appendix as the ratio of CLAS' borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or Stapled Securities) to the value of its deposited property. The Milestone Payment would be considered as a deferred payment for the purposes of computing the Aggregate Leverage.

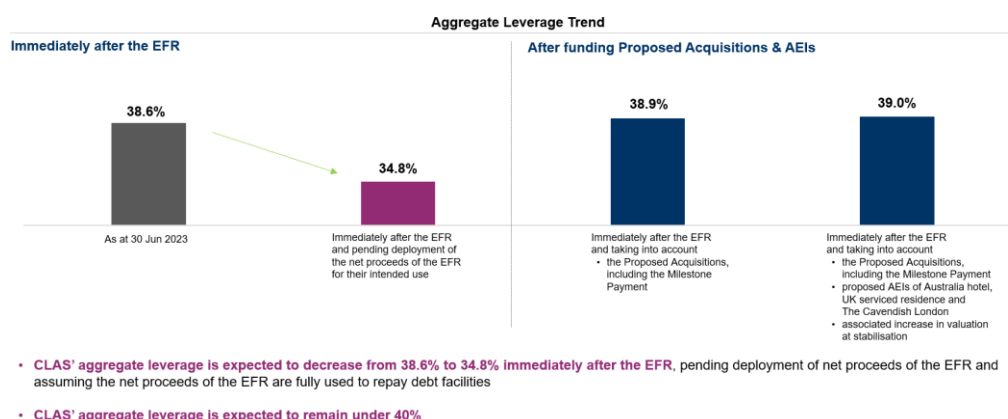
14 "**Milestone Payment**" refers to the part of the payment of the purchase consideration in relation to the proposed acquisitions of The Cavendish London and Temple Bar Hotel which will be made post completion of such proposed acquisitions. See the MOU Announcement for further details.



NSC, Citadines Holborn-Covent Garden London and The Cavendish London. CLAS' Aggregate Leverage is expected to remain under 40%.

## Strengthening CLAS' Balance Sheet and Capital Structure

Greater financial capacity and flexibility to tap on further growth opportunities



#### 4.4 Possible increase in free float of Stapled Securities

On the basis of up to 292,661,407 New Stapled Securities being issued pursuant to the Equity Fund Raising, the New Stapled Securities to be issued under the Equity Fund Raising will increase the number of Stapled Securities in issue from 3,466,841,628 Stapled Securities<sup>15</sup> to up to 3,759,503,035 Stapled Securities, which represents an increase of up to 8.4% in the total number of Stapled Securities in issue.

This increase in the total number of Stapled Securities in issue and the enlarged Stapled Securityholder base are expected to improve the free float of the Stapled Securities.

#### 5. AUTHORITY TO ISSUE NEW STAPLED SECURITIES

The New Stapled Securities will be issued pursuant to a general mandate (the "**General Mandate**") given to the Managers at the annual general meeting ("**AGM**") of CLAS held on 18 April 2023, pursuant to which the Managers may, during the period from 18 April 2023 to (i) the conclusion of the next AGM of CLAS or (ii) the date by which the next AGM of CLAS is required by applicable laws and regulations or the Trust Deeds<sup>16</sup> to be held, whichever is earlier, or (iii) until the General Mandate is revoked or varied by ordinary resolution of the Stapled Securityholders in a general meeting, issue new Stapled Securities and/or securities, warrants, debentures or other instruments convertible into Stapled Securities ("**Convertible Securities**") such that the number of new Stapled Securities (and/or Stapled Securities into which the Convertible Securities may be converted) does not exceed 50.0% of the total number of issued Stapled Securities (excluding treasury Stapled Securities, if

<sup>15</sup> This takes into account the issued Stapled Securities as at the date of this Announcement and the issuance of the Management Fee Stapled Securities (as defined herein).

<sup>16</sup> The "**Trust Deeds**" are the trust deed dated 19 January 2006 constituting CapitaLand Ascott REIT (as amended), the trust deed dated 9 September 2019 constituting CapitaLand Ascott BT (as amended), and the stapling deed dated 9 September 2019 (as amended) entered into between CapitaLand Ascott Trust Management Limited (as manager of CapitaLand Ascott REIT), DBS Trustee Limited, as trustee of CapitaLand Ascott REIT, and CapitaLand Ascott Business Trust Management Pte. Ltd. (as trustee-manager of CapitaLand Ascott BT).

any) as at 18 April 2023 (the “**Base Figure**”), of which the aggregate number of new Stapled Securities (and/or new Stapled Securities into which the Convertible Securities may be converted) issued other than on a pro rata basis to existing Stapled Securityholders, shall not be more than 20.0% of the Base Figure.

As at 18 April 2023, the number of Stapled Securities in issue was 3,456,121,850. It should be noted that since 18 April 2023, 7,120,545 Stapled Securities have been issued as payment for management and acquisition fees. It should be further noted that CLAS expects to issue an additional 3,599,233 Stapled Securities as management fees to the Managers prior to 11 August 2023, which is the record date in relation to the (a) Advanced Distribution (as defined herein) (the “**Advanced Distribution Record Date**”) and (b) Preferential Offering entitlement (the “**Preferential Offering Record Date**”).

Taking into account the Stapled Securities which have been issued and will be issued as described above, the number of Stapled Securities that can be issued under the General Mandate is 1,717,341,147 Stapled Securities, of which no more than 680,504,592 Stapled Securities may be issued for a non pro rata placement.

192,123,000 Private Placement New Stapled Securities will constitute 5.6% of the Base Figure, which is within the 20.0% limit for issue of new Stapled Securities other than on a pro rata basis. 100,538,407 Preferential Offering New Stapled Securities will constitute 2.9% of the Base Figure, which is within the 50.0% limit for issue of new Stapled Securities on a pro rata basis.

Accordingly, the prior approval of the Stapled Securityholders is not required for the issue of the New Stapled Securities under the Equity Fund Raising.

The Managers will be relying on the General Mandate for the issue of the New Stapled Securities under the Equity Fund Raising.

## **6. ELIGIBILITY TO PARTICIPATE IN THE PRIVATE PLACEMENT**

The offer of Private Placement New Stapled Securities will be made to eligible institutional, accredited and other investors.

The Private Placement New Stapled Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or the securities laws of any state or other jurisdiction of the United States, or under the securities laws of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States or any other jurisdiction except pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with applicable state laws.

The Managers, along with the Joint Lead Managers, Bookrunners and Underwriters, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

## 7. DETAILS OF THE PREFERENTIAL OFFERING

In connection with the Preferential Offering, the Managers intend to issue up to 100,538,407 Preferential Offering New Stapled Securities at the Preferential Offering Issue Price to Eligible Depositors (as defined herein) and Eligible Scripholders (as defined herein) (collectively, the “**Eligible Stapled Securityholders**”) on a pro rata basis in respect of their existing Stapled Securities (the “**Existing Stapled Securities**”) held as at 5.00 p.m. on the Preferential Offering Record Date. The allotment ratio for the Preferential Offering will be announced by the Managers via SGXNET once the Preferential Offering Issue Price has been determined.

As the Preferential Offering is made on a non-renounceable basis, the provisional allotments of Preferential Offering New Stapled Securities cannot be renounced in favour of a third party or traded on the SGX-ST. Each Eligible Stapled Securityholder will be provisionally allotted the Preferential Offering New Stapled Securities on the basis of their stapled securityholdings in CLAS as at the Preferential Offering Record Date. In this regard, fractions of a Preferential Offering New Stapled Security will be disregarded.

Eligible Stapled Securityholders are at liberty to accept or decline their provisional allotments of Preferential Offering New Stapled Securities and are eligible to apply for additional Preferential Offering New Stapled Securities in excess of their provisional allotments under the Preferential Offering (“**Excess Preferential Offering New Stapled Securities**”). Eligible Stapled Securityholders are prohibited from trading, transferring, assigning or otherwise dealing with (in full or in part) their (a) provisional allotments of Preferential Offering New Stapled Securities or (b) eligibility to apply for Excess Preferential Offering New Stapled Securities.

The Preferential Offering New Stapled Securities represented by (i) the provisional allotments of Eligible Stapled Securityholders who decline or do not accept, in full or in part, their provisional allotments of Preferential Offering New Stapled Securities, (ii) the provisional allotments of ineligible Stapled Securityholders, and/or (iii) the aggregate of fractional entitlements, may be issued to satisfy applications for Excess Preferential Offering New Stapled Securities as the Managers may, in their absolute discretion, deem fit. In the allotment of Excess Preferential Offering New Stapled Securities, preference will be given to the rounding of odd lots. Directors of the Managers (the “**Directors**”) and substantial Stapled Securityholders who have control or influence over CLAS or the Managers, as the case may be, in connection with the day-to-day affairs of CLAS or the Managers or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Preferential Offering New Stapled Securities.

## 8. ELIGIBILITY TO PARTICIPATE IN THE PREFERENTIAL OFFERING

**Eligible Stapled Securityholders.** Only Eligible Depositors and Eligible Scripholders are eligible to participate in the Preferential Offering.

**Eligible Depositors.** “**Eligible Depositors**” are Stapled Securityholders with Stapled Securities standing to the credit of their respective securities accounts with The Central Depository (Pte) Limited (“**CDP**”) as at the Preferential Offering Record Date and (a) whose

registered addresses with CDP are in Singapore as at the Preferential Offering Record Date; or (b) who have at least three Market Days prior to the Preferential Offering Record Date provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Stapled Securityholders located, resident or with a registered address outside of Singapore.

**Eligible Scripholders.** “**Eligible Scripholders**” are Stapled Securityholders whose Stapled Securities are not deposited with CDP and who have tendered to Boardroom Corporate & Advisory Services Pte. Ltd. (the “**Stapled Security Registrar**”) valid transfers of their Stapled Securities and/or the documentary evidence evidencing their title in relation thereto for registration up to the Preferential Offering Record Date, and whose registered addresses with CLAS are in Singapore as at the Preferential Offering Record Date or who have, at least three Market Days prior to the Preferential Offering Record Date, provided the Stapled Security Registrar with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Stapled Securityholders located, resident or with a registered address outside of Singapore.

**Foreign Stapled Securityholders.** The making of the Preferential Offering 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 in jurisdictions outside of Singapore, the Preferential Offering will not be extended to Stapled Securityholders whose registered addresses with CDP or the Stapled Security Registrar (as the case may be) are outside Singapore as at the Preferential Offering Record Date, and who have not, at least three Market Days prior to the Preferential Offering Record Date, provided CDP or the Stapled Security Registrar (as the case may be) with addresses in Singapore for the service of notices and documents. Stapled Securityholders whose registered addresses with CDP or the Stapled Security Registrar (as the case may be) are outside Singapore and who wish to participate in the Preferential Offering will have to provide CDP or the Stapled Security Registrar (as the case may be) with addresses in Singapore for the service of notices and documents at least three Market Days prior to the Preferential Offering Record Date.

Details of the Preferential Offering and procedures for acceptance of and payment of provisional allocations of Preferential Offering New Stapled Securities by Stapled Securityholders whose registered addresses with CDP or the Stapled Security Registrar (as the case may be) are in Singapore will be set out in an instruction booklet to be despatched to Eligible Stapled Securityholders and in the application and acceptance form for the Preferential Offering New Stapled Securities to be issued to Eligible Depositors and the provisional allotment letter in respect of Preferential Offering New Stapled Securities to be issued to Eligible Scripholders in due course. A further announcement on the despatch will be made by the Managers at the appropriate time.

For the avoidance of doubt, even if a Stapled Securityholder has provided a Singapore address as aforesaid, the offer of Preferential Offering New Stapled Securities to him will be subject to compliance with applicable securities laws outside Singapore. The Managers, along with the Joint Lead Managers, Bookrunners and Underwriters, reserve the absolute discretion whether to allow such participation as well as the persons who may be allowed to do so.

Notwithstanding the foregoing, the Managers may in their sole discretion determine whether to allow the participation in the Preferential Offering by Stapled Securityholders who are located, resident or with a registered address outside of Singapore, subject to and in compliance with the applicable securities and other laws of the relevant jurisdiction.

The Preferential Offering New Stapled Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or jurisdiction of the United States, or under the securities laws of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States or any other jurisdiction except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with applicable laws.

## 9. COMMITMENT BY THE SPONSOR AND CERTAIN OTHER PARTIES

To demonstrate their support for CLAS and the Equity Fund Raising, The Ascott Limited (the “**Sponsor**”), together with Somerset Capital Pte Ltd (“**SCPL**”) and Carmel Plus Pte Ltd (“**CPPL**”), which are expected to hold an aggregate interest in 756,227,623 Stapled Securities representing approximately 21.84% of the issued Stapled Securities as at the date of this Announcement, have each provided an irrevocable undertaking to the Managers and the Joint Lead Managers, Bookrunners and Underwriters that, subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), they will each accept, subscribe and pay in full for, their respective total provisional allotment of the Preferential Offering New Stapled Securities based on their respective entitlements.

To demonstrate their support for CLAS and the Equity Fund Raising, CapitaLand Ascott Trust Management Limited (in its own capacity) (“**CLASML**”) and CapitaLand Ascott Business Trust Management Pte. Ltd. (in its own capacity) (“**CLASBTMPL**”), which are expected to (a) hold an aggregate interest in 254,710,484 Stapled Securities and 6,939,582 Stapled Securities representing approximately 7.36% and approximately 0.20% of the issued Stapled Securities respectively as at the date of this Announcement, and (b) be issued 3,124,109 and 475,124 Stapled Securities respectively prior to the Preferential Offering Record Date as partial payment of the management fees for the period from 1 April 2023 to 30 June 2023 (both dates inclusive) on 7 August 2023 (“**Management Fee Stapled Securities**”), have each provided an irrevocable undertaking to the Managers and the Joint Lead Managers, Bookrunners and Underwriters that, subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), they will each accept, subscribe and pay in full for, their respective total provisional allotment of the Preferential Offering New Stapled Securities based on their entitlements.

For the avoidance of doubt, the irrevocable undertakings provided by CLASML and CLASBTMPL take into account the Management Fee Stapled Securities (i.e. the additional 3,599,233 Stapled Securities which are expected to be issued to the Managers prior to the Preferential Offering Record Date). Accordingly, the Sponsor, SCPL, CPPL, CLASML and CLASBTMPL are collectively expected to hold an aggregate direct interest in 1,021,476,922 Stapled Securities representing approximately 29.46% of the issued Stapled Securities as at the Preferential Offering Record Date.

% of issued Stapled Securities held by	As at the date of this Announcement (i.e. the launch of the Equity Fund Raising), but before the issuance of the Management Fee Stapled Securities <sup>(1)</sup>	Immediately before the issuance of the Private Placement New Stapled Securities and the issuance of the Preferential Offering New Stapled Securities, but after the issuance of the Management Fee Stapled Securities <sup>(2)</sup>	Immediately after the issuance of the Private Placement New Stapled Securities and the issuance of the Preferential Offering New Stapled Securities <sup>(3)</sup>
Sponsor	5.32%	5.31%	5.04%
SCPL	16.42%	16.41%	15.57%
CPPL	0.09%	0.09%	0.09%
CLASML	7.36%	7.44%	7.06%
CLASBTMPL	0.20%	0.21%	0.20%
Other Stapled Securityholders	70.61%	70.54%	72.04%

**Notes:**

- (1) Based on the total number of 3,463,242,395 Stapled Securities at the date of this Announcement.
- (2) Based on the total number of 3,466,841,628 Stapled Securities, which takes into account the issued Stapled Securities at the date of this Announcement and the issuance of the Management Fee Stapled Securities.
- (3) Based on the total number of 3,759,503,035 Stapled Securities in issue after completion of the Private Placement and the Preferential Offering assuming that 192,123,000 Private Placement New Stapled Securities and 100,538,407 Preferential Offering New Stapled Securities are offered at the issue price of S\$1.041 per Private Placement New Stapled Security pursuant to the Private Placement and S\$1.025 per Preferential Offering New Stapled Security pursuant to the Preferential Offering.

## 10. STATUS OF NEW STAPLED SECURITIES

### 10.1 Entitlement to Advanced Distribution

CLAS' policy is to distribute its distribution on a semi-annual basis to Stapled Securityholders. On 27 July 2023, the Managers announced a semi-annual distribution of 2.778 Singapore cents per Stapled Security for the period from 1 January 2023 to 30 June 2023 (the period, "**1H2023**", and the distribution, the "**1H2023 Distribution**").

In connection with the Private Placement, the Managers intend to declare, in respect of the Existing Stapled Securities, an advanced distribution for the period from 1 July 2023 to the day immediately prior to the date on which the Private Placement New Stapled Securities are issued (the "**Advanced Distribution**"). The quantum of distribution per Stapled Security under the Advanced Distribution is currently estimated to be between 0.664 Singapore cents to 0.724 Singapore cents. A further announcement on the actual quantum of distribution per Stapled Security (which may differ from the estimate above) under the Advanced Distribution will be made by the Managers in due course.

The Private Placement New Stapled Securities are expected to be issued on or around 14 August 2023. The Advanced Distribution is intended to ensure that the distribution accrued by CLAS up to the day immediately preceding the date of issue of the Private Placement New Stapled Securities (which at this point, will be entirely attributable to the Existing

Stapled Securities) is only distributed in respect of the Existing Stapled Securities, and is being proposed as a means to ensure fairness to holders of the Existing Stapled Securities.

The next distribution following the Advanced Distribution will comprise CLAS' distribution for the period from the day the Private Placement New Stapled Securities are issued to 31 December 2023. Semi-annual distributions will resume thereafter, unless otherwise announced.

#### **10.2 Status of Private Placement New Stapled Securities**

The Private Placement New Stapled Securities will, upon issue, rank *pari passu* in all respects with the Stapled Securities in issue on the day immediately prior to the date on which the Private Placement New Stapled Securities are issued, other than in respect of the Advanced Distribution, the 1H2023 Distribution, and the eligibility to participate in the Preferential Offering.

For the avoidance of doubt, the holders of the Private Placement New Stapled Securities will not be entitled to the Advanced Distribution as well as the 1H2023 Distribution, and will not be eligible to participate in the Preferential Offering.

#### **10.3 Status of Preferential Offering New Stapled Securities**

The Preferential Offering New Stapled Securities will, upon issue and allotment, rank *pari passu* in all respects with the Stapled Securities in issue on the day immediately prior to the date on which the Preferential Offering New Stapled Securities are issued, other than in respect of the Advanced Distribution, the 1H2023 Distribution, and including the right to any distributions which may accrue prior to the issuance of the Preferential Offering New Stapled Securities.

For the avoidance of doubt, the holders of the Preferential Offering New Stapled Securities will not be entitled to the Advanced Distribution and the 1H2023 Distribution.

### **11. STATEMENT BY THE BOARD**

The Directors are of the opinion that, after taking into consideration CLAS' internal resources and its available loan facilities, the working capital available to CLAS is sufficient to meet its present requirements. However, given the current economic situation, the Directors are of the view that it would be more prudent to partially fund the Proposed Acquisitions, finance any redevelopment or AEs of the properties owned by CLAS and repay existing indebtedness with proceeds raised from the Equity Fund Raising to keep CLAS' Aggregate Leverage well within the desired range.

### **12. APPLICATION TO THE SGX-ST FOR APPROVAL IN-PRINCIPLE**

Approval in-principle has been obtained from the SGX-ST for the listing and quotation on the Main Board of the SGX-ST of the New Stapled Securities to be issued pursuant to the Equity Fund Raising.

The SGX-ST's approval in-principle is subject to, *inter alia*, compliance with the SGX-ST's listing requirements. The SGX-ST's approval in-principle is not to be taken as an indication

of the merits of the New Stapled Securities, CLAS and/or its subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Announcement.

The SGX-ST's approval in-principle is subject to the following:

- (i) submission of a written undertaking from the Managers that they will comply with Rules 704(30) and 1207(20) of the Listing Manual of the SGX-ST (the "**Listing Manual**") in relation to the use of the proceeds from the Equity Fund Raising and where proceeds are to be used for working capital purposes, CLAS will disclose a breakdown with specific details on the use of proceeds for working capital in CLAS' announcements on use of proceeds and in the annual report;
- (ii) submission of a written undertaking from the Managers that they will comply with Rule 803 of the Listing Manual;
- (iii) submission of a written confirmation from the Managers that they will not issue the New Stapled Securities to persons prohibited under Rule 812(1) of the Listing Manual;
- (iv) submission of a written undertaking from the Managers that they will comply with Rule 877(10) of the Listing Manual with regard to the allotment of any excess New Stapled Securities; and
- (v) submission of a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that the undertaking Stapled Securityholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under their undertakings.

### **13. PREVIOUS EQUITY FUND RAISINGS IN THE LAST 12 MONTHS**

The Managers had launched a private placement on 15 August 2022 (the "**2022 Private Placement**"). The 2022 Private Placement raised gross proceeds of approximately S\$170.0 million. Pursuant to the 2022 Private Placement, CLAS issued 151,786,000 Stapled Securities at an issue price of S\$1.120 per Stapled Security. The proceeds from the 2022 Private Placement have been partially utilised as follows:

- (i) S\$109.4 million was used to partially fund the acquisition of three serviced residences, five rental housing properties and an additional 45% stake in Standard at Columbia, a student accommodation property in South Carolina, United States; and
- (ii) S\$2.3 million was used to pay the professional and other fees and expenses in connection with the 2022 Private Placement.

This is in accordance with the stated use of the proceeds and the Managers will make further announcements on the utilisation of the remaining proceeds from the 2022 Private Placement as and when such funds are materially utilised.

Save for the issue of Stapled Securities pursuant to the 2022 Private Placement, all other Stapled Securities in the last 12 months were issued to each of the Managers, as applicable,



as payment for its management fees or acquisition fees. No proceeds were raised from such issues.

#### 14. INDICATIVE TIMETABLE

The Managers may, in consultation with the Joint Lead Managers, Bookrunners and Underwriters, and with the approval of the SGX-ST, modify the below indicative timetable of the key events relating to the Equity Fund Raising, subject to any limitation under any applicable laws. In such an event, the Managers will announce the same via SGXNET. However, as at the date of this Announcement, the Managers do not expect the below indicative timetable to be modified.

Key Event	Indicative Time / Date
Launch of the Private Placement	Wednesday, 2 August 2023
Close of the Private Placement	Thursday, 3 August 2023
Advanced Distribution Record Date and Preferential Offering Record Date (i.e. the record date for entitlement to the Advanced Distribution and eligibility to participate in the Preferential Offering)	5.00 p.m., Friday, 11 August 2023
Listing and Trading of the Private Placement New Stapled Securities	9.00 a.m., Monday, 14 August 2023
Opening date and time for the Preferential Offering	9.00 a.m., Wednesday, 16 August 2023
Last date and time for acceptance, application (if applicable) and payment for provisional allotments of Preferential Offering New Stapled Securities and Excess Preferential New Offering Stapled Securities	5.30 p.m., Thursday, 24 August 2023 (9.30 p.m. for electronic applications via automated teller machines of participating banks)
Listing and Trading of the Preferential Offering New Stapled Securities	9.00 a.m., Friday, 1 September 2023

#### 15. WAIVER GRANTED BY THE SGX-ST TO COMPLY WITH RULE 704(27) OF THE LISTING MANUAL

Rule 704(27) of the Listing Manual states that an issuer must not fix a record date for any purpose until at least eight market days after the previous record date, though such rule does not prohibit identical record dates for different purposes.

As the Equity Fund Raising is launched shortly after the release of the 1H2023 results, which was on 27 July 2023 and which included a declaration of the 1H2023 Distribution, there would be one record date for the 1H2023 Distribution (the “**1H2023 Distribution Record Date**”) and a separate record date for the Equity Fund Raising which is the Preferential Offering Record Date and also the Advanced Distribution Record Date.

The 1H2023 Distribution Record Date is 4 August 2023, while the Preferential Offering Record Date is 11 August 2023, which is fewer than eight market days after the 1H2023 Distribution Record Date. As such, the Managers had applied to the SGX-ST for a waiver in relation to Rule 704(27) of the Listing Manual, such that the two record dates can be fewer than eight market days apart.

On 17 July 2023, the SGX-ST had granted a waiver (“**Waiver**”) confirming that the SGX-ST has no objections to such application subject to the following conditions:

- (i) the Managers announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Rule 107 of the Listing Manual and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Managers must make an update announcement when the conditions have all been met. The aforementioned points have already been disclosed in this Announcement;
- (ii) the Waiver is/will not be in contravention of any laws and regulations governing the CLAS and the Trust Deeds; and
- (iii) the Managers’ compliance with Rule 704(26) of the Listing Manual which requires sufficient notice of at least five market days to be given to Stapled Securityholders for the relevant record dates.

The above conditions have been satisfied.

BY ORDER OF THE BOARD

**CAPITALAND ASCOTT TRUST MANAGEMENT LIMITED**

(Company Registration No. 200516209Z)

As manager of CapitaLand Ascott Real Estate Investment Trust

**CAPITALAND ASCOTT BUSINESS TRUST MANAGEMENT PTE. LTD.**

(Company Registration No. 201925299R)

As trustee-manager of CapitaLand Ascott Business Trust

Karen Chan  
Company Secretary  
2 August 2023

## **IMPORTANT NOTICE**

**This announcement is not for distribution, directly or indirectly, in or into the United States and is not an offer of securities for sale in the United States or any other jurisdictions.**

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any securities of CapitaLand Ascott Trust 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 Stapled Securities and the income derived from them may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, CapitaLand Ascott Trust Management Limited as manager of CapitaLand Ascott Real Estate Investment Trust or CapitaLand Ascott Business Trust Management Pte. Ltd. as trustee-manager of CapitaLand Ascott Business Trust or any of their respective affiliates.

An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Stapled Securityholders have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on the SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities. The past performance of CapitaLand Ascott Trust is not necessarily indicative of the future performance of CapitaLand Ascott Trust.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers' current view of future events.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, European Economic Area, the United Kingdom (other than to eligible UK investors), Canada, Japan or Australia, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

The securities referred to herein have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act or under the securities laws of any state or other jurisdiction of the United States, and any such new Stapled Securities may not be offered or sold within the United States except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Any public offering of securities to be made in the United States would be made by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and the management, as well as financial statements. There will be no public offering of the securities referred to herein in the United States.

This publication has not been reviewed by the Monetary Authority of Singapore.

**Notification under Section 309B of the Securities and Futures Act 2001 of Singapore:** The Stapled Securities 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).