

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

RESULTS OF THE PRIVATE PLACEMENT AND PRICING OF NEW STAPLED SECURITIES UNDER THE PRIVATE PLACEMENT AND THE PREFERENTIAL OFFERING

Capitalised terms used herein, unless otherwise defined, shall have the meaning ascribed to them in the announcement of CapitaLand Ascott Trust dated 2 August 2023 titled "Launch of Equity Fund Raising to Raise Gross Proceeds of no less than Approximately S\$300.0 Million", in relation to the launch of the equity fund raising (the "Announcement").

1. INTRODUCTION

Further to the Announcement in relation to the launch of the Equity Fund Raising to raise gross proceeds of no less than approximately S\$300.0 million, CapitaLand Ascott Trust Management Limited (as manager of CapitaLand Ascott Real Estate Investment Trust) and CapitaLand Ascott Business Trust Management Pte. Ltd. (as trustee-manager of CapitaLand Ascott Business Trust (together with CapitaLand Ascott Trust Management Limited, the "**Managers**")), are pleased to announce Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd. and United Overseas Bank Limited (the "**Joint Lead Managers, Bookrunners and Underwriters**"), in consultation with the Managers, have closed the book of orders for the Private Placement.

The Private Placement drew strong demand from new and existing institutional, accredited and other investors and was approximately 2.7 times covered.

2. ISSUE PRICE

The issue price per Private Placement New Stapled Security has been fixed at S\$1.043 (the "**Private Placement Issue Price**"), as agreed between the Managers and the Joint Lead Managers, Bookrunners and Underwriters, following an accelerated book-building process.

The issue price per Preferential Offering New Stapled Security under the Preferential Offering has been fixed at S\$1.025 (the “**Preferential Offering Issue Price**”).

The Private Placement Issue Price of S\$1.043 represents a discount of:

- (i) approximately 6.8% to the volume weighted average price (“**VWAP**”) of S\$1.1195 per Stapled Security for all trades in the Stapled Securities on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the preceding Market Day¹ on 1 August 2023, up to the time the Underwriting Agreement was signed on 2 August 2023; and
- (ii) (for illustrative purposes only) approximately 3.9% to the adjusted VWAP² (“**Adjusted VWAP**”) of S\$1.0848 per Stapled Security.

The Preferential Offering Issue Price of S\$1.025 represents a discount of:

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

A total of 191,755,000 Private Placement New Stapled Securities will be issued, and a total of 100,538,407 Preferential Offering New Stapled Securities will be issued, on the basis of 29 Preferential Offering New Stapled Securities for every 1,000 Existing Stapled Securities (fractions of a Preferential Offering Stapled Security to be disregarded) to be held as at the Preferential Offering Record Date to Stapled Securityholders. The total gross proceeds of the Equity Fund Raising will be approximately S\$303.1 million comprising approximately S\$200.0 million from the Private Placement and approximately S\$103.1 million from the Preferential Offering.

3. USE OF PROCEEDS

Subject to relevant laws and regulations, the Managers intend to use the gross proceeds of approximately S\$303.1 million from the Equity Fund Raising in the following manner:

- (i) approximately S\$170.2 million (which is equivalent to approximately 56.1% of the gross proceeds of the Equity Fund Raising) to partially fund the Proposed

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 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. This 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.

Acquisitions³ and the associated costs, subject to completion of negotiations with the vendor and satisfactory due diligence⁴;

- (ii) approximately S\$82.8 million (which is equivalent to approximately 27.3% of the gross proceeds of the Equity Fund Raising) to finance CLAS' estimated costs for the Proposed Australia Hotel Extension and Renovation;
- (iii) approximately S\$19.9 million (which is equivalent to approximately 6.6% of the gross proceeds of the Equity Fund Raising) to finance CLAS' estimated costs for the Proposed UK Serviced Residence Renovation;
- (iv) approximately S\$24.4 million (which is equivalent to approximately 8.1% 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 AEs); 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 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

3 The Proposed Acquisitions will constitute "interested person transactions" under Chapter 9 of the Listing Manual 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.

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. STATUS OF THE NEW STAPLED SECURITIES

4.1 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 "**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.

4.2 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.

4.3 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.

5. LISTING OF, DEALING IN AND QUOTATION OF THE NEW STAPLED SECURITIES

The trading of the Private Placement New Stapled Securities on the SGX-ST is currently expected to commence at 9.00 a.m. on 14 August 2023.

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

3 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).