



NEWS RELEASE

For immediate release

## CapitaLand Ascendas REIT to divest 21 Jalan Buroh in Singapore at a premium to valuation

**Singapore, 11 October 2024** – CapitaLand Ascendas REIT Management Limited, as the manager (the “**Manager**”) of CapitaLand Ascendas REIT (“**CLAR**”), is pleased to announce that HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CLAR (the “**Trustee**”), has entered into a sale and purchase agreement today for the sale of 21 Jalan Buroh in Singapore (the “**Property**”) to GDS IDC Services Pte. Ltd. (the “**Purchaser**”) for a sale consideration of S\$112.8 million (the “**Sale Consideration**”).

The Sale Consideration represents a premium to the original purchase price of S\$58.4 million at which CLAR acquired the Property for in June 2006, and a premium to the average of two independent market valuations of the Property which is S\$67.5 million<sup>1</sup> as at 1 July 2024. The divestment of the Property (the “**Proposed Divestment**”) is not expected to have any material impact on CLAR’s net asset value and distribution per Unit (“**DPU**”) for the financial year ending 31 December 2024.

The Proposed Divestment is in line with the Manager’s proactive asset management strategy to improve the quality of CLAR’s portfolio and optimise returns for unitholders of CLAR.

The estimated net proceeds after divestment costs are expected to be S\$102.9 million. The proceeds may be utilised for various purposes, including financing committed investments, paying down debt, extending loans to subsidiaries, funding general corporate and working capital needs, and/or making distributions to Unitholders.

Assuming the Proposed Divestment had been completed on 1 January 2023, the pro forma impact on CLAR’s net property income and DPU for the financial year ended 31 December 2023 would be a decrease of S\$4.6 million and 0.085 Singapore cents, respectively.

For the purpose of calculating the pro forma impact on CLAR’s aggregate leverage, if the net proceeds were used to repay CLAR’s borrowings as at 31 December 2023, its aggregate leverage would have reduced from 37.9% to approximately 37.4%.

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<sup>1</sup> The independent valuers, Cushman & Wakefield VHS Pte Ltd and Knight Frank Pte Ltd, were commissioned by the Manager and the Trustee, respectively. The valuation by Cushman & Wakefield VHS Pte Ltd (S\$67.5 million as at 1 July 2024) was carried out using the income capitalisation approach, discounted cash flow analysis and comparison approach. The valuation by Knight Frank Pte Ltd (S\$67.5 million as at 1 July 2024) was carried out using the income capitalisation approach and discounted cash flow analysis.

The Proposed Divestment constitutes an “interested person transaction” under the listing manual of the Singapore Exchange Securities Trading Limited (“**Listing Manual**”) and an “interested party transaction” under Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (“**Property Funds Appendix**”). The aggregate value of all transactions entered into by CLAR and the Purchaser’s group of companies during the current financial year, including the Proposed Divestment is less than 3% of CLAR’s latest audited net asset value / net tangible assets. In this regard, the Proposed Divestment is not required to be immediately announced under the Listing Manual and the Property Funds Appendix. The Audit & Risk Committee of the Manager is of the view that the Proposed Divestment is on normal commercial terms and is not prejudicial to the interests of CLAR and its minority Unitholders.

In accordance with the trust deed dated 9 October 2002 constituting CLAR (as amended, varied, and/or supplemented from time to time), the Manager is entitled to a divestment fee of 0.5% of the Sale Consideration of the Property, which will be paid in the form of new units in CLAR.

The Proposed Divestment is expected to complete within the fourth quarter of 2024. Following the completion, CLAR will own 228 properties comprising 96 properties in Singapore, 34 properties in Australia, 48 properties in the United States, and 50 properties in the United Kingdom/Europe.

#### About the Property

21 Jalan Buroh is a three-storey ramp-up warehouse with a seven-storey ancillary office block. The Property has a total gross floor area of 39,978 square metres and a remaining land lease tenure of about 31 years.

#### **About CapitaLand Ascendas REIT ([www.capitaland-ascendasreit.com](http://www.capitaland-ascendasreit.com))**

CapitaLand Ascendas REIT (CLAR) is Singapore’s first and largest listed business space and industrial real estate investment trust. It was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in November 2002.

CLAR has since grown to be a global REIT anchored in Singapore, with a strong focus on tech and logistics properties in developed markets. As at 30 June 2024, its investment properties under management stood at S\$16.9 billion. It owns a total of 229 properties across three segments, namely Business Space & Life Sciences; Industrial & Data Centres; and Logistics. These properties are in the developed markets of Singapore, the United States, Australia, and the United Kingdom/Europe.

These properties house a tenant base of more than 1,780 international and local companies from a wide range of industries and activities, including data centres, information technology, engineering, logistics & supply chain management, biomedical sciences, financial services (backroom office support), electronics, government and other manufacturing and services industries. Major tenants include Singtel, DSO National Laboratories, SEA Group, Stripe, Entserve UK, DBS Bank, Seagate Singapore, Citibank, Pinterest and Wesfarmers Group.

CLAR is listed on several indices. These include the FTSE Straits Times Index, the Morgan Stanley Capital International, Inc (MSCI) Index, the European Public Real Estate

Association/National Association of Real Estate Investment Trusts (EPRA/NAREIT) Global Real Estate Index and Global Property Research (GPR) Asia 250. CLAR has an issuer rating of 'A3' by Moody's Investors Service.

CLAR is managed by CapitaLand Ascendas REIT Management Limited, a wholly owned subsidiary of CapitaLand Investment Limited, a leading global real asset manager with a strong Asia foothold.

**About CapitaLand Investment Limited ([www.capitalandinvest.com](http://www.capitalandinvest.com))**

Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real asset manager with a strong Asia foothold. As at 30 June 2024, CLI had S\$134 billion of assets under management, as well as S\$100 billion of funds under management held via six listed real estate investment trusts and business trusts and a suite of private real asset vehicles that invest in thematic and tactical strategies. Its diversified real estate asset classes include retail, office, lodging, industrial, logistics, business parks, wellness, self-storage and data centres.

CLI aims to scale its fund management, lodging management and commercial management businesses globally and maintain effective capital management. As the investment management arm of CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve Net Zero carbon emissions for Scope 1 and 2 by 2050. CLI contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

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**Issued by: CapitaLand Ascendas REIT Management Limited (Co. Regn.: 200201987K)**

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This news release may contain forward-looking statements. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements because of several 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, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training, property operating expenses), 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 current view of management regarding future events. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this press release. Neither CapitaLand Ascendas REIT Management Limited ("**Manager**") nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use of, reliance on or distribution of this press release

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The past performance of CapitaLand Ascendas REIT (“**CLAR**”) is not indicative of future performance. The listing of the units in CLAR (“**Units**”) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) does not guarantee a liquid market for the Units. 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. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST.

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