



ASCOTT RESIDENCE TRUST

(A real estate investment trust constituted on 19 January 2006 under the laws of the Republic of Singapore)

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

ANNOUNCEMENT

PROPOSED COMBINATION OF ASCOTT RESIDENCE TRUST AND ASCENDAS HOSPITALITY TRUST BY WAY OF A TRUST SCHEME OF ARRANGEMENT

ESTABLISHMENT OF WHOLLY OWNED BUSINESS TRUST

1. INTRODUCTION

On 3 July 2019, the board of directors of Ascott Residence Trust Management Limited (“**Ascott Reit Manager**”), as manager of Ascott Residence Trust (“**Ascott Reit**”), announced the proposed combination of Ascott Reit and Ascendas Hospitality Trust (“**A-HTRUST**” and such combination, the “**Combination**”) to be effected through the acquisition by Ascott Reit of all the A-HTRUST Stapled Units by way of a trust scheme of arrangement for an aggregate consideration of S\$1.0868 for each A-HTRUST Stapled Unit, comprising S\$0.0543 in cash and 0.7942 Ascott Reit-BT Stapled Units (such announcement, the “**Acquisition Announcement**”). Terms defined in the Acquisition Announcement have the same meanings when used in this Announcement.

2. ESTABLISHMENT OF ASCOTT BUSINESS TRUST

The Ascott Reit Manager wishes to announce the establishment today of Ascott Business Trust (“**Ascott BT**”):

Country of constitution	Singapore
Principal Activity	1) Investing in real estate and real estate-related assets which are income producing and which are used or predominantly used as, amongst other things, hospitality assets in any country in the world; and 2) the operation and management of the real estate assets which are held by Ascott BT
Unit Capital	S\$1.00
Unitholder	DBS Trustee Limited (in its capacity as trustee of Ascott Reit)

The above transaction is not expected to have any material impact on the financial position of Ascott Reit for the current financial year.

Ascott BT is currently constituted as a business trust by a trust deed in relation to Ascott BT. It will be registered as a registered business trust under the Business Trusts Act (Cap. 31A of Singapore) by the date on which the Ascott Reit Scheme is implemented.

Ascott Business Trust Management Pte. Ltd., a wholly owned subsidiary of CapitaLand Limited, is currently the trustee of Ascott BT. After the registration of Ascott BT as a registered business trust, Ascott Business Trust Management Pte. Ltd. will be the trustee-manager of Ascott BT.

3. FURTHER DETAILS

The Ascott Reit Manager will make further announcements, in compliance with the requirements of the Listing Manual, as and when there are material developments in respect of the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition, the A-HTRUST Scheme, the Scheme Implementation Agreement and/or other matters contemplated by this announcement.

Further details on the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition, the A-HTRUST Scheme and the related transactions in connection therewith will be set out in the Ascott Reit Composite Document intended to be issued to the Ascott Reit Unitholders in due course, and such Ascott Reit Composite Document will give notice of the Ascott Reit EGM and the Ascott Reit Scheme Meeting that the Ascott Reit Manager proposes to convene for the purpose of seeking the relevant approvals of Ascott Reit Unitholders in relation to the Combination.

In the meantime, Ascott Reit Unitholders are advised to refrain from taking any action in relation to their Ascott Reit Units which may be prejudicial to their interests until they or their advisers have considered the information and the recommendation of the Ascott Reit Independent Directors on the Combination as well as the advice of the Ascott Reit IFA which will be set out in the Ascott Reit Composite Document.

4. RESPONSIBILITY STATEMENT

The directors of the Ascott Reit Manager (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement which relate to Ascott Reit and/or the Ascott Reit Manager (excluding those relating to A-HTRUST and/or the A-HTRUST REIT Manager and/or the A-HTRUST BT Trustee-Manager) are fair and accurate and that there are no other material facts not contained in this Announcement the omission of which would make any statement in this Announcement misleading. The directors of the Ascott Reit Manager jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from A-HTRUST and/or the A-HTRUST REIT Manager and/or the A-HTRUST BT Trustee-Manager, the sole responsibility of the directors of the Ascott Reit Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this

Announcement. The directors of the Ascott Reit Manager do not accept any responsibility for any information relating to A-HTRUST and/or the A-HTRUST REIT Manager and/or the A-HTRUST BT Trustee-Manager or any opinion expressed by A-HTRUST and/or the A-HTRUST REIT Manager and/or the A-HTRUST BT Trustee-Manager.

By Order of the Board

ASCOTT RESIDENCE TRUST MANAGEMENT LIMITED

(Company Registration No. 200516209Z)

As Manager of Ascott Residence Trust

Karen Chan
Company Secretary
9 September 2019

Any queries relating to this Announcement or the Combination should be directed to one of the following:

Ascott Residence Trust Management Limited

(Ms) Kang Wei Ling
Vice President
Investor Relations & Asset Management
Tel: +65 6713 3317
Email: kang.weiling@the-ascott.com

(Ms) Denise Wong
Senior Manager
Investor Relations & Asset Management
Tel: +65 6713 2151
Email: denise.wong@the-ascott.com

Citigroup Global Markets Singapore Pte. Ltd.

Tel: +65 6657 1955

IMPORTANT NOTICE

The value of the Ascott Reit Units and the income derived from them may fall as well as rise. The Ascott Reit Units are not obligations of, deposits in, or guaranteed by, the Ascott Reit Manager or any of its respective affiliates. An investment in the Ascott Reit Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Ascott Reit Manager to redeem their Ascott Reit Units while the Ascott Reit Units are listed. It is intended that Ascott Reit Unitholders may only deal in their Ascott Reit Units through trading on the SGX-ST. Listing of the Ascott Reit Units on the SGX-ST does not guarantee a liquid market for the Ascott Reit Units. This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Ascott Reit Units. The past performance of Ascott Reit is not necessarily indicative of the future performance of Ascott Reit. This announcement may contain forward-looking statements that involve assumptions, 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 other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), 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 Ascott Reit Manager's current view on future events.