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This announcement is not for publication or distribution, directly or indirectly, in or into the United States, European Economic Area, the United Kingdom, Canada, Japan or Australia. This announcement is not an offer of securities for sale in the United States, European Economic Area, the United Kingdom, Canada, Japan, Australia or any other jurisdiction. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and may not be offered or sold in the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and in compliance with any applicable state securities laws. There will be no public offering of the securities of Ascott Residence Trust in the United States.



ASCOTT RESIDENCE TRUST

A stapled group comprising:

Ascott Real Estate Investment 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)

Ascott Business Trust

(A business trust constituted on 9 September 2019 under the laws of the Republic of Singapore)

Managed by

Ascott Business Trust Management Pte. Ltd.
(Company Registration No. 201925299R)

ANNOUNCEMENT

UPDATE ON THE PROPOSED USE OF PROCEEDS FROM THE PRIVATE PLACEMENT OF 151,786,000 NEW STAPLED SECURITIES IN ASCOTT RESIDENCE TRUST ("ART") AT AN ISSUE PRICE OF S\$1.120 PER NEW STAPLED SECURITY

*Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the announcement of ART dated 15 August 2022 titled "Launch of Private Placement to Raise Gross Proceeds of Approximately S\$150.0 million" (the "**Launch Announcement**").*

Further to the Launch Announcement and the announcement of ART dated 16 August 2022 titled "Close of Private Placement of 151,786,000 New Stapled Securities in Ascott Residence Trust at an Issue Price of S\$1.120 per New Stapled Security", Ascott Residence Trust Management Limited (as manager of Ascott Real Estate Investment Trust) and Ascott Business Trust Management Pte. Ltd. (as trustee-manager of Ascott Business Trust), collectively as managers of ART (the "**Managers**"), wish to update that the Private Placement (excluding the Upsize Option) was approximately 2.7 times covered and drew strong demand from new and existing stapled securityholders, long only funds, private wealth, multi-strategy investors and other accredited investors.

Subject to relevant laws and regulations, the Managers intend to use the aggregate gross proceeds of approximately S\$170.0 million from the Private Placement in the following manner:

- (i) approximately S\$122.3 million (which is equivalent to 71.9% of the gross proceeds of the Private Placement) to partially fund the aggregate purchase consideration of approximately S\$215.2 million in respect of the proposed acquisition of interests in serviced residence properties in France, Vietnam and Australia, rental housing properties in Japan and a student accommodation property in South Carolina, US (the "**Acquisitions**") (see announcement titled "The Proposed Acquisition of Interests in Serviced Residence Properties in France, Vietnam and Australia, Rental Housing Properties in Japan and a Student Accommodation Property in South Carolina, US at an Aggregate Purchase Consideration of S\$215.2 Million from Interested Persons and Entry into Master Leases, Management Agreements and France Loan Assignment Documents" dated 15 August 2022 for further details);
- (ii) approximately S\$45.1 million (which is equivalent to 26.6% of the gross proceeds of the Private Placement) to partially fund any future potential acquisitions, including but not limited to rental housing properties, serviced residence properties and student accommodation and the associated costs; and
- (iii) approximately S\$2.6 million (which is equivalent to 1.5% of the gross proceeds of the Private Placement) to pay the estimated professional and other fees and expenses (including underwriting fees to be incurred) in connection with the Private Placement,

with the balance of the gross proceeds of the Private Placement, if any, to be used for general corporate and/or working capital purposes.

Notwithstanding their current intention (or in the event that the Acquisitions or potential acquisition(s) do not proceed), the Managers may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at their absolute discretion for other purposes, including, without limitation, to fund future acquisitions and repay existing indebtedness.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or 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.

The Managers will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. The Managers will also provide a status report in relation to the foregoing in the annual report of ART. Where proceeds are to be used for general working capital purposes, the Managers will disclose a breakdown with specific details on the use of proceeds for working capital in ART's announcements on the use of proceeds and in ART's annual report and where there is any material deviation from the stated use of proceeds, the Managers will announce the reasons for such deviation.

By Order of the Board

ASCOTT RESIDENCE TRUST MANAGEMENT LIMITED

(Company Registration No. 200516209Z)

As manager of Ascott Real Estate Investment Trust

ASCOTT BUSINESS TRUST MANAGEMENT PTE. LTD.

(Company Registration No. 201925299R)

As trustee-manager of Ascott Business Trust

Karen Chan
Company Secretary
16 August 2022

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 Ascott Residence 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, Ascott Residence Trust Management Limited as manager of Ascott Real Estate Investment Trust or Ascott Business Trust Management Pte. Ltd. as trustee-manager of 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 Ascott Residence Trust is not necessarily indicative of the future performance of Ascott Residence 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, 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).