



ARA Trust Management (USH) Pte. Ltd.
ARA Business Trust Management (USH) Pte. Ltd.
5 Temasek Boulevard
#12-01 Suntec Tower Five
Singapore 038985

Tel : +65 6835 9232
Fax : +65 6835 9672

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ARA US HOSPITALITY TRUST SUCCESSFULLY COMPLETES IPO

First Pure-Play U.S. Upscale Select-Service Hospitality Portfolio To Be Listed On The SGX-ST

- **First SGX-ST Main Board listing in 2019 with US\$498.0 million in gross proceeds raised¹**
- **A unique investment opportunity into a portfolio of high quality, geographically diversified upscale select-service hotels**
- **Offering well received, Public Offer approximately 1.1 times subscribed**
- **Trading expected to commence at 2.00 pm on Thursday, 9 May 2019**

DBS Bank Ltd. ("DBS") is the Sole Issue Manager for the Offering (the "**Sole Issue Manager**"). DBS, Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited are the Joint Financial Advisers and Joint Global Coordinators for the Offering (collectively, the "**Joint Financial Advisers and Joint Global Coordinators**"). DBS, Oversea-Chinese Banking Corporation Limited, United Overseas Bank Limited and Credit Suisse (Singapore) Limited are the Joint Bookrunners and Underwriters for the Offering (collectively, the "**Joint Bookrunners and Underwriters**").

SINGAPORE, 9 May 2019 – ARA US Hospitality Trust (亚腾美国酒店信托) – a hospitality stapled group comprising ARA US Hospitality Property Trust ("**ARA H-REIT**"), a real estate investment trust, and ARA US Hospitality Management Trust ("**ARA H-BT**"), a registered business trust – today announced that it has successfully completed its Initial Public Offering ("**IPO**") of 379,776,300 Stapled Securities (the "**Offering**") (subject to the Over-Allotment Option²) at the Offering Price of US\$0.88

¹ Includes proceeds raised from the Offering, the issuance of Cornerstone Stapled Securities and the Sponsor Subscription Stapled Securities.

² Refers to the option granted by the Stapled Security Lender to the Joint Bookrunners and Underwriters to purchase from the Stapled Security Lender up to an aggregate of 22,727,000 Stapled Securities at the Offering Price, solely to cover the over-allotment of Stapled Securities (if any).

per Stapled Security (the “**Offering Price**”), in connection with the proposed listing (“**Listing**”) of ARA US Hospitality Trust on the Mainboard of Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

Mr Lee Jin Yong (李镇镕), Chief Executive Officer of the Managers³, said, “The support we’ve received from both institutional and retail investors really encourages us. We now forge ahead, embarking on a new chapter for the Trust. We will diligently focus on organic growth opportunities through active asset management and thoughtfully expand the portfolio through accretive investments, always keeping a clear focus on providing stable cash flows and enhancing value for our securityholders.”

Mr John Lim (林惠璋), Group Chief Executive Officer of ARA, said, “The successful IPO of ARA US Hospitality Trust is a reflection of the market confidence in a ARA-sponsored Trust that is underpinned by a quality portfolio and an experienced management team. Given the ARA Group’s strong track record in managing REITs and the Trust’s unique investment proposition as the first pure-play U.S. upscale select-service hospitality trust listed on the SGX-ST, we are very excited about its future potential.”

The indications of interest received for the Placement Tranche of 328,640,300 Stapled Securities resulted in the Placement Tranche being fully subscribed. The valid acceptances for the Reserved Stapled Securities resulted in all 8,585,000 Reserved Stapled Securities being allocated. In addition, as at the close of the Public Offer, excluding applications by connected persons and persons mentioned in Rule 240 of the Listing Manual (if any), there were 3,134 valid applications for 54,744,400 Stapled Securities. Based on the 51,136,000 Stapled Securities available to the public for subscription, the Public Offer was approximately 1.1 times subscribed.

³ Refers to ARA Trust Management (USH) Pte. Ltd., the manager of ARA H-REIT, and ARA Business Trust Management (USH) Pte. Ltd., the trustee-manager of ARA H-BT (collectively known as the “**Managers**”).

Alongside commitments from the six Cornerstone Investors who have subscribed for an aggregate of 132,382,700 Stapled Securities, a total of 565,909,000 Stapled Securities were issued to raise gross proceeds of approximately US\$498.0 million.

The first pure-play U.S. upscale select-service hospitality portfolio to be listed on the SGX-ST, ARA US Hospitality Trust's Initial Portfolio valued at US\$719.5 million comprises 38 upscale select-service hotels totaling 4,950 rooms and is geographically diversified across 21 states in the U.S. – the world's largest lodging market. In addition, 36⁴ out of the total 38 Properties have freehold land titles.

Based on the Offering Price of US\$0.88, ARA US Hospitality Trust offers an attractive annualised distribution yield of 8.0%^{5,6} for Forecast Period 2019 and expected distribution yield growth of 2.1%⁷ in Projection Year 2020, representing a total return of 10.1%⁸. This is backed by the Initial Portfolio's stable operating performance between FY2016 and FY2018 and a gearing ratio of 33.4% at Listing Date.

Trading of Stapled Securities in ARA US Hospitality Trust on the Main Board of the SGX-ST is expected to commence at 2.00 p.m. on Thursday, 9 May 2019. Details on allotments and/or allocations will be published in The Straits Times as well as via SGXNET, with the announcement to be posted on the website of SGX-ST: <http://www.sgx.com>, prior to the listing of the Stapled Securities on the Main Board of the SGX-ST.

⁴ This includes Hyatt House Richmond West, which is held under a ground leasehold (expiring in July 2072) and ARA H-REIT (through its wholly-owned subsidiary, PropCo) has the right to purchase the fee simple interest over the property at a price of US\$3.3 million. PropCo has exercised such right and the conversion is being processed.

⁵ Based on the Offering Price of US\$0.88 per Stapled Security, and the forecast distribution per Stapled Security ("**DPS**") for Forecast Period 2019 (on an annualised basis (see footnote 6)) together with the accompanying assumptions found in the Prospectus. Such yields and yield growth will vary accordingly for investors who purchase Stapled Securities in the secondary market at a market price different from the Offering Price.

⁶ Annualised based on an 8-month forecast from 1 May 2019 to 31 December 2019.

⁷ Calculated as the growth in distribution yield from Forecast Period 2019 (on an annualised basis (see footnote 6)) to Projection Year 2020.

⁸ Calculated as the sum of Forecast Period 2019 distribution yield (on an annualised basis (see footnote 6)) and distribution yield growth from Forecast Period 2019 (on an annualised basis (see footnote 6)) to Projection Year 2020.

DBS Bank Ltd. is the Sole Issue Manager for the Offering. DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited are the Joint Financial Advisers and Joint Global Coordinators for the Offering. DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited, United Overseas Bank Limited and Credit Suisse (Singapore) Limited are Joint Bookrunners and Underwriters for the Offering.

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About ARA US Hospitality Trust

ARA US Hospitality Trust (“**AUHT**” or the “**Trust**”) is a hospitality stapled group comprising ARA US Hospitality Property Trust (“**ARA H-REIT**”), a real estate investment trust, and ARA US Hospitality Management Trust (“**ARA H-BT**”), a registered business trust. The first pure-play U.S. upscale select-service hospitality portfolio to be listed on the SGX-ST, AUHT offers investors a unique opportunity to gain exposure to a high quality, upscale select-service hospitality portfolio in the U.S.

AUHT’s principal objectives are to deliver regular and stable distributions to Stapled Securityholders and to achieve long-term growth in Distribution Per Stapled Security and in the net asset value per Stapled Security, while maintaining an appropriate capital structure.

Its Initial Portfolio comprises 38 upscale select-service hotels totaling 4,950 rooms, which are geographically diversified across 21 states in the U.S. 36⁹ out of the 38 Properties have freehold land titles. The hotels are franchised under the Hyatt Place (upscale select-service) and Hyatt House (upscale extended-stay) brands, both associated brands of Hyatt – one of the largest global hotel brands; and professionally managed by Aimbridge Hospitality, LLC – the largest independent hotel management company in the U.S.

⁹ This includes Hyatt House Richmond West, which is held under a ground leasehold (expiring in July 2072) and ARA H-REIT (through its wholly-owned subsidiary, PropCo) has the right to purchase the fee simple interest over the property at a price of US\$3.3 million. PropCo has exercised such right and the conversion is being processed.

About the Sponsor

ARA US Hospitality Trust is supported by a strong and committed Sponsor, ARA Real Estate Investors 23 Pte. Ltd., an indirect wholly-owned subsidiary of ARA Asset Management Limited (“**ARA**”), a premier global integrated real assets fund manager headquartered in Singapore with gross assets under management of about S\$80.1 billion¹⁰.

Driven by a vision to be the best-in-class real assets fund management company, ARA Group and its Associates’ businesses include:

- (a) **REITs** – ARA is one of the largest REIT managers in Asia Pacific. The Group directly manages Fortune REIT, dual-listed in Singapore and Hong Kong; Suntec REIT and Cache Logistics Trust, listed in Singapore; and Hui Xian REIT and Prosperity REIT, listed in Hong Kong. It also indirectly manages REITs in Japan, Australia, Singapore and Malaysia through its associate companies.
- (b) **Private real estate funds** – The Group manages private funds providing investment opportunities in diverse real estate sectors and geographies that cater to different investor risk appetites.
- (c) **Country desks** – ARA operates country desks in China, Korea, Japan, Malaysia, Australia, Europe and the United States. The country desks employ a strong understanding of each local market to facilitate the flow of inbound and outbound capital and cross-country collaborations. ARA has an expanded presence in Japan via its strategic stake in Kenedix, Inc. and in Europe via its strategic stake in Cromwell Property Group.
- (d) **Infrastructure** – ARA Infrastructure was established in 2018 to cater to strong investor demand for global infrastructure investment.
- (e) **Real estate management services** – As part of the Group’s investor-operator philosophy, its dedicated property management teams actively work the ground to manage its assets globally.

¹⁰ Includes assets under management by the ARA Group and its associates and joint ventures as at 31 December 2018.

ARA's multi-platform, multi-product global fund management strategy, combined with its dedicated teams with in-depth local knowledge, enables the Group to offer enduring value to investors. Built on a foundation of strong corporate governance and business integrity, ARA counts some of the world's largest pension funds, sovereign wealth funds, financial institutions, endowments and family offices as its investors.

For more information, please visit <http://www.ara-group.com>.

IMPORTANT NOTICE

Capitalised words and expressions used in this media release and not otherwise defined shall have the meanings given to them in the Prospectus of ARA US Hospitality Trust dated 2 May 2019.

The Prospectus has been registered by the MAS on 2 May 2019. Capitalised words and expressions used in this media release shall unless otherwise defined, bear the same meanings assigned to them in the Prospectus. ARA US Hospitality Trust is a hospitality stapled group comprising ARA US Hospitality Property Trust, a real estate investment trust constituted in Singapore, and ARA US Hospitality Management Trust, a registered business trust constituted in Singapore. ARA H-REIT is established with the principal investment strategy of investing primarily, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for hospitality and/or hospitality-related purposes, located in the U.S., as well as real estate-related assets in connection with the foregoing. On the other hand, ARA H-BT is established with the principal investment strategy of investing in a portfolio of real estate primarily used for hospitality and/or hospitality-related purposes, located in the U.S., as well as real estate-related assets in connection with the foregoing, and to carry on the business of managing and operating real estate used primarily for hospitality and/or hospitality-related purposes, located in the U.S.

This media release is for information purposes only and does not constitute an offer of, or invitation to subscribe or purchase or solicitation of subscriptions or purchases of Stapled Securities in ARA US Hospitality Trust in any jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment or any investment decision whatsoever. The information in this media release in respect of ARA US Hospitality Trust is qualified in its entirety by, and should be viewed in conjunction with, the full text of the Prospectus in relation to the Offering of the Stapled Securities. The Offering is made by the REIT Manager and Trustee-Manager. The information presented in this media release is subject to change. Anyone wishing to subscribe for or purchase Stapled Securities should read the Prospectus, and in particular, the section on "Risk Factors" for a discussion of certain factors to be considered and make his own assessment before deciding whether to purchase Stapled Securities and will need to make an application in the manner set out in the Prospectus. Any decision to purchase Stapled Securities should be made solely on the basis of information contained in the Prospectus and no reliance should be placed on any information other than that contained in the Prospectus.

The value of the Stapled Securities and the income derived from them may fall as well as rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, DBS Trustee Limited (as trustee of ARA H-REIT), ARA Real Estate Investors 23 Pte. Ltd. (as sponsor of ARA US Hospitality Trust), the Sole Issue Manager, the Joint Financial Advisers and Joint Global Coordinators, and the Joint Bookrunners and Underwriters or any of their respective affiliates, advisers or representatives. An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that holders of the Stapled Securities 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.

This media release 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. The forecast and projected yields and yield growth are calculated based on the Offering Price and the accompanying assumptions in the Prospectus. Such yields and yield growth will vary accordingly for investors who purchase the Stapled Securities in the secondary market at a market price different from the Offering Price.

Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of ARA US Hospitality Trust. The forecast financial performance of ARA US Hospitality Trust is not guaranteed. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers' current view of future events. A potential investor should read the Prospectus and, in particular, the section entitled "Forward-Looking Statements" and make his own assessment before making any decision to purchase the Stapled Securities.

*Neither this media release nor any copy or portion of it may be sent or taken, transmitted or distributed, directly or indirectly, into the United States (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”)). The Stapled Securities have not been, and will not be, registered under the Securities Act, or the securities laws of any state of the U.S. and the Stapled Securities may not be offered or sold within the US, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. This media release is not an offer for sale of securities in the U.S.. The Managers do not intend to conduct a public offering of the Stapled Securities in the U.S..*

This media release may be restricted by law in certain jurisdictions. Persons who may come into possession of this media release are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This media release may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

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DBS Bank Ltd. as the Sole Issue Manager for the Offering, DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited, as the Joint Financial Advisers and Joint Global Coordinators for the Offering, and DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited, United Overseas Bank Limited and Credit Suisse (Singapore) Limited, as the Joint Bookrunners and Underwriters for the Offering, assume no responsibility for the contents of this media release.

ISSUED ON BEHALF OF : ARA US Hospitality Trust

BY : Citigate Dewe Rogerson Singapore Pte Ltd
105 Cecil Street
#09-01 The Octagon
Singapore 069534

CONTACT : Chia Hui Kheng/ Amelia Lee/ Samantha Koh
at telephone

DURING OFFICE HOURS : (65) 6534 5122

EMAIL : huikheng.chia@citigatedewerogerson.com /
amelia.lee@citigatedewerogerson.com /
samantha.koh@citigatedewerogerson.com
