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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)

Ascott Business Trust

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

Managed by

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

Managed by

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

ANNOUNCEMENT

USE OF PROCEEDS FROM PRIVATE PLACEMENT OF 152,594,100 NEW STAPLED SECURITIES

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 (the “**Managers**”) of Ascott Residence Trust (“**ART**”) refer to:

- (i) the announcements dated 10 September 2021 and 22 September 2021 in relation to the placement of 152,594,100 new stapled securities in ART which raised gross proceeds of S\$150.0 million (the “**Private Placement**”);

- (ii) the announcements dated 9 September 2021 and 22 September 2021 in relation to the acquisition of a student accommodation property located at 1701 N. Quaker Avenue, Lubbock, Texas, 79416 U.S.A. (the “**Texas Property**”);
- (iii) the announcement dated 1 November 2021 in relation to the acquisition of a student accommodation property located at 707 South Fourth Street, Champaign, Illinois 61820, U.S.A. (the “**Illinois Property**”); and
- (iv) the announcement dated 27 December 2021 in relation to the acquisition of four student accommodation properties located in Philadelphia, Pennsylvania (the “**Philly Property**”), Wilmington, North Carolina (the “**Wilmington Property**”), Kent, Ohio (the “**Kent Property**”) and Raleigh, North Carolina (the “**Raleigh Property**”).

The Managers wish to announce that:

- (i) approximately S\$0.4 million (which is equivalent to 0.3% of the gross proceeds of the Private Placement) has been used to partially fund the acquisition costs relating to the acquisition of the Texas Property.
- (ii) approximately S\$1.5 million (which is equivalent to 1.0% of the gross proceeds of the Private Placement) has been used to partially fund the acquisition costs relating to the acquisition of the Illinois Property.
- (iii) approximately S\$25.0 million (which is equivalent to 16.7% of the gross proceeds of the Private Placement) has been used to partially fund the acquisition of the Wilmington Property, the Raleigh Property and the Philly Property.
- (iv) approximately S\$0.4 million (which is equivalent to 0.3% of the gross proceeds of the Private Placement) has been used to pay the estimated fees and expense in connection with the Private Placement.
- (v) approximately S\$2.5 million (which is equivalent to 1.7% of the gross proceeds of the Private Placement) has been used for general corporate and/or working capital purposes.

As at the date of this announcement, the Managers have fully disbursed all of the gross proceeds from the Private Placement.

The detail of the use of proceeds from the Private Placement are as follows:

| In S\$ million | Announced use of proceeds | Actual use of proceeds |
|--|---------------------------|------------------------|
| To partially fund the Texas Property | 58.7 | 57.8 ⁽¹⁾ |
| To partially fund any potential acquisitions and the associated costs | 89.0 | 87.8 ⁽¹⁾ |
| To pay the estimated professional and other fees and expenses in connection with the Private Placement | 2.3 | 1.9 ⁽²⁾ |
| To use for general corporate and/or working capital purposes | – | 2.5 |
| Total | 150.0 | 150.0 |

Notes:

- (1) The amount was less than the originally estimated amount due to lower associated costs of the acquisition and favourable exchange rate movements.
- (2) The amount was less than the originally estimated amount due to lower fee and expenses in connection with the Private Placement

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

30 December 2021

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 ART 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 ART is not necessarily indicative of the future performance of ART.

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, Chapter 289 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).