



CAPITALAND ASCOTT TRUST

A stapled group comprising:

CapitaLand Ascott Real Estate Investment Trust

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

CapitaLand Ascott Business Trust

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

Managed by

CapitaLand Ascott Trust Management Limited

(Company Registration No. 200516209Z)

Managed by

CapitaLand Ascott Business Trust Management Pte. Ltd.

(Company Registration No. 201925299R)

ANNOUNCEMENT

THE PROPOSED DIVESTMENT OF CITADINES CENTRAL SHINJUKU TOKYO, AS AN INTERESTED PERSON TRANSACTION

1. INTRODUCTION

CapitaLand Ascott Trust Management Limited (as manager of CapitaLand Ascott Real Estate Investment Trust ("**CapitaLand Ascott REIT**", and the manager, the "**REIT Manager**")) and CapitaLand Ascott Business Trust Management Pte. Ltd. (as trustee-manager of CapitaLand Ascott Business Trust ("**CapitaLand Ascott BT**")), as the managers (the "**Managers**") of CapitaLand Ascott Trust ("**CLAS**") are pleased to announce that CLAS, through its wholly owned subsidiaries, has entered into a sale and purchase agreement (the "**Sale and Purchase Agreement**") with an unrelated third party purchaser, ML Estate Co., Ltd., (the "**Purchaser**"), for the divestment of the property known as Citadines Central Shinjuku Tokyo, located at 1-2-9, Kabuki-cho, Shinjuku-ku, Tokyo 1600021, Japan (the "**Property**", and the divestment, the "**Proposed Divestment**").

A circular ("**Circular**") will be issued to the holders of the stapled securities in CLAS ("**Stapled Securityholders**", and the stapled securities in CLAS, "**Stapled Securities**") in due course, for the purpose of seeking the approval of Stapled Securityholders for the Proposed Divestment.

2. INFORMATION ON THE PROPERTY

Citadines Central Shinjuku Tokyo is situated in the district of Shinjuku and near the JR Shinjuku Station East exit.

The table below sets out a summary of selected information on the Property:

Address	1-2-9, Kabuki-cho, Shinjuku-ku, Tokyo 1600021, Japan	
Number of units	206	
Gross floor area	Approximately 8,085 sq m	
Year built	2008	
Title	Freehold	
Independent Valuer	Cushman & Wakefield K.K	Colliers International Japan KK
Valuer commissioned by	REIT Manager	REIT Trustee
Date of Valuation	10 July 2025	10 July 2025
Valuation method	Income Approach and Cost Approach	Income Approach and Cost Approach
Valuation	JPY18.1 billion (approximately S\$161.2 million) ¹	JPY17.5 billion (approximately S\$155.9 million)
Divestment Consideration (as defined herein)²	JPY25.0 billion (approximately S\$222.7 million)	

3. DETAILS OF THE PROPOSED DIVESTMENT

3.1 Structure of the Proposed Divestment

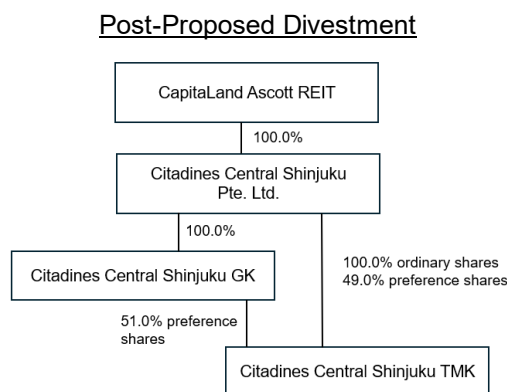
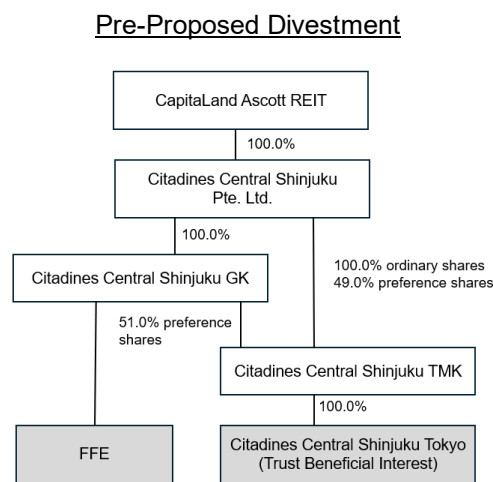
100.0% of the trust beneficial interest in the Property (the “**Beneficial Interest**”) is held by Citadines Central Shinjuku TMK (a *tokutei mokuteki kaisha* in Japan) (the “**TMK**”), a wholly owned subsidiary of CLAS, while some of the furniture, fixtures and equipment (“**FFE**”) for the Property is held by another wholly owned subsidiary of CLAS, Citadines Central Shinjuku GK (a *godo kaisha* in Japan) (the “**GK**”, and collectively with the TMK, the “**Vendors**”).

On 31 July 2025, CLAS, through the Vendors, entered into a Sale and Purchase Agreement with the Purchaser for the (i) TMK to divest the entire of its Beneficial Interest in the Property; and (ii) GK to sell the FFE to the Purchaser in accordance with the terms of the Sale and Purchase Agreement. Upon completion, the ownership of the Beneficial Interest in the Property shall pass from the TMK to the Purchaser, and the ownership of the FFE shall pass from the GK to the Purchaser.

¹ For illustrative purposes, certain Japanese Yen amounts have been translated into Singapore dollars. Unless otherwise indicated, such translations have been made based on an illustrative exchange rate of JPY1.00 = S\$0.008908.

² The Divestment Consideration includes the price for the FFE at JPY3.9 million (or approximately \$34,000), which is the estimated book value of the FFE as at completion date.

A diagrammatic illustration of the Proposed Divestment is as follows:



3.2 Divestment Consideration and Valuation

The REIT Manager has commissioned an independent valuer, Cushman & Wakefield K. K (“**C&W**”), and the REIT Trustee has commissioned an independent valuer, Colliers International Japan KK (“**Colliers**”), to respectively value the Property. C&W has valued the Property at JPY18.1 billion (approximately S\$161.2 million) as at 10 July 2025, while Colliers has valued the Property at JPY17.5 billion (approximately S\$155.9 million) as at 10 July 2025.

In arriving at the market values for the Property, both Independent Valuers relied on the income approach (which utilises both the discounted cashflow method and direct capitalisation method to estimate value) and the cost approach.

The divestment consideration, which was negotiated on a willing-buyer and willing-seller basis¹ with reference to the independent valuations by the Independent Valuers, is JPY25.0 billion (approximately S\$222.7 million) (the “**Divestment Consideration**”) and represents an approximate 40.4% premium to the average of the two independent valuations. The Divestment Consideration also represents an approximate 100% premium over the book value of the Property as at 30 June 2025. The estimated net gain after tax on the Proposed Divestment is approximately JPY5.7 billion (approximately S\$50.8 million).

3.3 Certain Terms and Conditions of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, among others, the following:

- 3.3.1 upon the execution of the Sale and Purchase Agreement, the Purchaser shall pay the TMK a deposit of JPY2.5 billion (approximately S\$22.3 million); on the closing date, the Purchaser shall pay the (i) TMK the remainder of the purchase price attributable to the Beneficial Interest (inclusive of consumption tax and local consumption tax) after deduction of the abovementioned deposit; and (ii) GK the portion of the purchase price attributable to the FFE² (inclusive of consumption tax and local consumption tax);
- 3.3.2 the TMK shall deliver to the Purchaser the Property on an as-is basis in the legal form of trust beneficial interests, and the GK shall deliver the FFE to the Purchaser on an as-is basis;
- 3.3.3 the conditions precedent for completion of the Proposed Divestment include, among others, the following:
 - (i) the certificate of acknowledgement from the trustee of the Property, Sumitomo Mitsui Trust Bank, Limited. (the “**Property Trustee**”), consenting to the transfer of the Beneficial Interest from the TMK to Purchaser in the form designated by the Property Trustee in accordance with the provisions of the trust agreement relating to the Property having been obtained;

1 As part of the sale process for the Property, third party brokers had been appointed to obtain bids from potential buyers and the Managers also considered unrepresented bids. Pursuant to the sale process, the Managers accepted the bid from the highest bidder.

2 For the avoidance of doubt, the GK’s liability under the Sale and Purchase Agreement is only in respect of the FFE and does not extend to the subject matter of the transfer i.e. the Property.

- (ii) the delivery of certain closing deliverables under the Sale and Purchase Agreement to the Purchaser on the closing date, in exchange for payment of the remainder of the purchase price as stated in paragraph 3.3.1;
- (iii) Stapled Securityholders' approval of the Proposed Divestment having been obtained at the EGM to be convened;
- (iv) the representations and warranties by the Vendors and the Purchaser under the Sale and Purchase Agreement being true and correct in material respects on the date of signing and the closing date;
- (v) the Vendors and the Purchaser having performed or observed, in material respects, all of their respective obligations by the closing date (inclusive) pursuant to the Sale and Purchase Agreement; and
- (vi) the existing securities over the Beneficial Interest and the FFE in favour of the Vendors' lenders being released immediately after the closing of the Proposed Divestment on the closing date;

3.3.4 if either the TMK, the GK or the Purchaser commits a material breach which results in the frustration of the purpose of the Sale and Purchase Agreement, the non-defaulting party (for the avoidance of doubt, if either the TMK or the GK is the defaulting party, the non-defaulting party is only the Purchaser) may terminate the Sale and Purchase Agreement, in the event of such termination, the following shall apply:

- (i) if the TMK or the GK is the defaulting party, the TMK shall pay the amount equivalent to 10.0% of the portion of the purchase price attributable to the Beneficial Interest and the GK shall pay the amount equivalent to 10.0% of the portion of the purchase price attributable to the FFE, unless such default is due to force majeure. In the case that the TMK has received the deposit from the Purchaser, the TMK shall promptly return the deposit without any interest to the Purchaser, in addition to the payment of such penalty; and
- (ii) if the Purchaser is the defaulting party, the Purchaser shall pay to the TMK the amount equivalent to 10.0% of the portion of the purchase price attributable to the Beneficial Interest and pay to the GK the amount equivalent to 10.0% of the portion of the purchase price attributable to the FFE, unless such default is due to force majeure. In the case that the TMK has received the deposit from the Purchaser, the TMK is entitled to apply the deposit to payment of such penalty;

3.3.5 in the event that the TMK, the GK or the Purchaser breaches any of the representations and warranties of the TMK / GK / Purchaser (as the case may be) set out in the Sale and Purchase Agreement, the defaulting party shall be liable for damage, loss and cost caused to the non-defaulting party (for the avoidance of doubt, if either the TMK or the GK is the defaulting party, the non-defaulting party is only the Purchaser) due to the breach to the extent of legally sufficient cause and promptly indemnify the non-defaulting party for the damages sustained, up to a limit of (a) 10.0% of the purchase price in the case that the Purchaser is the defaulting party; or (b) the amount equivalent to 10.0% of the portion of the purchase price

attributable to the Beneficial Interest, which is to be paid by TMK, and the amount equivalent to 10.0% of the portion of the purchase price attributable to the FFE, which is to be paid by GK in the case that either the TMK or the GK is the defaulting party;

3.3.6 in the event the Property is damaged during the period from the date of the Sale and Purchase Agreement to the closing date, as a result of force majeure or other events not attributable to either the TMK, the GK or the Purchaser:

- (i) if the Property is materially damaged, the Purchaser, the TMK and the GK shall each be entitled to terminate the Sale and Purchase Agreement (for this purpose, “materially” means such damage resulting in the cost of repairs, as determined by an expert jointly appointed by the parties, exceeding 5% of the portion of the purchase price attributable to the Beneficial Interest); or
- (ii) if the damage to the Property is not material (as defined in Paragraph 3.3.6(i) above), the TMK and Purchaser shall proceed to completion, and (i) where the repairs to such damage can be completed by completion, the TMK shall undertake such repairs; and (ii) where the repairs to the damage cannot be completed by completion, the portion of the purchase price attributable to the Beneficial Interest shall be reduced by the cost of repairs as determined by the expert referred to in Paragraph 3.3.6(i) above; and
- (iii) the TMK and the Purchaser shall not make any claim against each other in connection with force majeure event or other events not attributable to either the TMK, the GK or the Purchaser, except for the cases stipulated in Paragraphs 3.3.6(i) and 3.3.6(ii) above, and in the event of termination of the Sale and Purchase Agreement due to Paragraph 3.3.6(i), the TMK shall return all money received from the Purchaser (if any) with no interest thereon and without delay and Purchaser and the TMK shall each not have any claims against the other for termination of the Sale and Purchase Agreement;

3.3.7 in the event the FFE is damaged during the period from the date of the Sale and Purchase Agreement to the closing date, as a result of force majeure or other events not attributable to either the TMK, the GK or the Purchaser, the GK and the Purchaser shall mutually consult in good faith to either reduce the portion of the purchase price attributable to the FFE proportionately or have the affected part of the FFE repaired at the GK's expense and responsibility. For the avoidance of doubt, such damage or destruction of the FFE will not entitle the Purchaser to terminate the Sale and Purchase Agreement; and

3.3.8 the Sale and Purchase Agreement shall be governed by the laws of Japan.

3.4 Completion

Completion of the Proposed Divestment is expected to take place in 4Q 2025.

3.5 Estimated Total Divestment Cost

The estimated total cost of the Proposed Divestment (the “**Total Divestment Cost**”) is

approximately S\$36.4 million, comprising:

- (i) the divestment fee payable in Stapled Securities to the REIT Manager pursuant to the CapitaLand Ascott REIT Trust Deed for the Proposed Divestment (the “**Divestment Fee**”) of approximately S\$1.1 million (being 0.5% of the Enterprise Value¹ of S\$222.7 million)²;
- (ii) the estimated tax expense to be incurred by CLAS in connection with the Proposed Divestment of approximately S\$34.0 million; and
- (iii) the estimated professional and other fees and expenses incurred or to be incurred by CLAS in connection with the Proposed Divestment of approximately S\$1.3 million.

3.6 Use of Divestment Proceeds

The Proposed Divestment provides CLAS with the opportunity to optimise its capital structure and enhance long-term returns for Stapled Securityholders.

After taking into account the estimated Total Divestment Cost of approximately S\$35.3 million (excluding the Divestment Fee which will be in the form of Stapled Securities), the net proceeds from the Proposed Divestment would be approximately JPY21.0 billion (approximately S\$187.4 million).

The net proceeds from the Proposed Divestment may be used to repay higher-interest debt, fund asset enhancement initiatives, reinvest in higher-yielding properties, and/or for general corporate purposes.

3.7 Payment of Divestment Fee in Stapled Securities

The REIT Manager shall be paid the Divestment Fee of approximately S\$1.1 million (being 0.5% of the Enterprise Value) for the Proposed Divestment pursuant to the CapitaLand Ascott REIT Trust Deed. As the Proposed Divestment is an interested party transaction under the Appendix 6 of the Code on Collective Investment Schemes (the “**Property Funds Appendix**”) issued by the Monetary Authority of Singapore (“**MAS**”), the Divestment Fee will be in the form of Stapled Securities which shall not be sold within one year of the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

4. RATIONALE FOR AND BENEFITS OF THE PROPOSED DIVESTMENT

The overarching rationale and key benefits of the Proposed Divestment are set out below.

4.1 Divesting a mature property requiring significant capital expenditure

Built in 2008, the Property has not undergone major renovation since CLAS acquired it in 2014. The Property has become dated and necessitates substantial capital expenditure and temporary closure to enhance its operational performance and maintain competitiveness.

1 As defined in the CapitaLand Ascott REIT Trust Deed, in the case of the Proposed Divestment, “**Enterprise Value**” in this context shall mean the value of the Property being divested by CapitaLand Ascott REIT.

2 As the Proposed Divestment will constitute an “interested party transaction” under the Property Funds Appendix, the Divestment Fee shall be in the form of Stapled Securities and shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

By divesting this property, CLAS can redeploy the proceeds more effectively into other uses, such as repaying higher-interest debt, funding asset enhancement initiatives, reinvesting in higher-yielding properties and/or for general corporate purposes.

4.2 Unlocking gains for Stapled Securityholders

The Divestment Consideration of JPY25.0 billion (approximately S\$222.7 million) represents an approximate 100% premium over the book value of the Property as at 30 June 2025, and an exit earnings before interest, taxes, depreciation and amortisation (“**EBITDA**”) yield of 3.2%¹.

The Proposed Divestment unlocks an attractive net gain after tax of JPY5.7 billion (approximately S\$50.8 million). This provides CLAS with greater flexibility to distribute divestment gains, to mitigate the short-term impact of asset enhancement initiatives or macroeconomic downturns, when appropriate.

4.3 Strengthening financial flexibility, delivering accretion



The Proposed Divestment is expected to generate net proceeds of JPY21.0 billion (approximately S\$187.4 million), enhancing CLAS’ financial flexibility.

Assuming the net proceeds are used to repay debt, and accounting for the loss of income from the divestment, Distribution per Stapled Security (“**DPS**”) accretion is expected to be 1.0% on a FY2024 pro forma basis.

For illustrative purposes only, assuming that as at 30 June 2025, the Proposed Divestment was completed and the net proceeds were used to repay existing loans, CLAS’ pro forma aggregate leverage is expected to improve from 39.6% as at 30 June 2025 to 37.8%. The debt headroom will also increase from approximately S\$1.8 billion as at 30 June 2025 to approximately S\$2.0 billion on a pro forma basis².

Pro Forma Impact

Proposed Divestment is DPS and NAV accretive; Japan remains a key market for CLAS

For illustrative purposes only	On a FY2024 pro forma basis	
DPS accretion (%)	▲ 1.0% ¹	
NAV per Stapled Security accretion (%)	▲ 1.7% ²	
For illustrative purposes only	As at / for the first half ended 30 Jun 2025	After the Proposed Divestment and Debt Repayment
Aggregate Leverage (%)	39.6%	▼ 37.8%
Gross profit contribution from Japan (%)	 Japan 18%	 Japan 16%
Following the Proposed Divestment, CLAS will have 29 properties in Japan comprising 4 hotels, 1 serviced residence, 23 rental housing properties and 1 student accommodation property		

Notes: The pro forma financial effects of the Proposed Divestment on the DPS and NAV per Stapled Security were prepared based on the audited consolidated financial statements of CLAS for FY2024.
 1. After the Proposed Divestment, assuming the net proceeds are used to repay debt, and accounting for the loss of income from the divestment.
 2. Includes net gain of S\$47.1 mil from the Proposed Divestment.

- 1 Based on the Property's FY2024 EBITDA.
- 2 Based on an aggregate leverage limit of 50% as permitted by the Property Funds Appendix issued by the Monetary Authority of Singapore.

5. PRO FORMA FINANCIAL EFFECTS

5.1 Assumptions

The pro forma financial effects of the Proposed Divestment on the DPS and net asset value (“NAV”) per Stapled Security presented below are strictly for illustrative purposes only and were prepared based on the audited consolidated financial statements of CLAS for the financial year ended 31 December 2024 (“FY2024”, and the audited financial statements for FY 2024, the “**2024 Audited Consolidated Financial Statements**”), assuming that:

- (i) the exchange rate between JPY and Singapore dollars are JPY1.00 = S\$0.008887 (average rate for FY2024) and JPY1.00 = S\$0.008696 (31 December 2024);
- (ii) the net proceeds from the Proposed Divestment of JPY21.0 billion (approximately S\$186.9 million) were used to repay existing debt with an effective interest rate of 4.6% per annum (the “**Debt Repayment**”);
- (iii) approximately 1.3 million Stapled Securities are issued as payment of the Divestment Fee to the REIT Manager at an illustrative issue price of S\$0.87 per Stapled Security; and
- (iv) the transactions undertaken by CLAS completed in 1H 2025 (namely, the (i) divestment of Somerset Olympic Tower Tianjin and (ii) the acquisition of ibis Styles Tokyo Ginza and Chisun Budget Kanazawa Ekimae) are not taken into account in determining the pro forma financial effects.

5.2 Pro Forma DPS and Distribution Yield

FOR ILLUSTRATIVE PURPOSES ONLY:

The table below sets out the pro forma financial effects of the Proposed Divestment and the Debt Repayment on CLAS’ DPS and distribution yield for FY2024, as if the respective transactions were completed on 1 January 2024.

	2024 Audited Consolidated Financial Statements	After the Proposed Divestment and Debt Repayment
Total Distribution (S\$'000)	231,229	233,528
Number of Stapled Securities in issue ('000)	3,796,166 ⁽¹⁾	3,797,314 ⁽²⁾
DPS (Singapore cents)	6.10	6.16
Distribution Yield (%)	7.01 ⁽³⁾	7.08 ⁽³⁾

Notes:

- (1) Number of Stapled Securities in issue as at 31 December 2024.
- (2) Adjusted to: (a) include approximately 1.3 million new Stapled Securities issued as payment of the Divestment Fee (at an illustrative issue price of S\$0.87 per Stapled Security); and (b) exclude approximately 0.1 million Stapled Securities issued as payment of the REIT Manager’s management fees for the Property.
- (3) Based on the closing price of S\$0.87 per Stapled Security on 31 December 2024.

5.3 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY:

The table below sets out the pro forma financial effects of the Proposed Divestment on the

consolidated NAV of CLAS as at 31 December 2024, as if the transaction was completed on 31 December 2024.

	2024 Audited Consolidated Financial Statements	After the Proposed Divestment
NAV (S\$'000)	4,376,979	4,424,040 ⁽¹⁾
Number of Stapled Securities in issue ('000)	3,796,166 ⁽²⁾	3,797,443 ⁽³⁾
NAV per Stapled Security (S\$)	1.15	1.17

Notes:

(1) Includes net gain on divestment of S\$47.1 million.

(2) Number of Stapled Securities in issue as at 31 December 2024.

(3) Adjusted to include approximately 1.3 million new Stapled Securities issued as payment of the Divestment Fee (at an illustrative issue price of S\$0.87 per Stapled Security).

6. REQUIREMENT FOR STAPLED SECURITYHOLDERS' APPROVAL

6.1 Interested Person Transaction and Interested Party Transaction

6.1.1 Proposed Divestment as an Interested Person Transaction and an Interested Party Transaction

The Purchaser is an unrelated third party to the Vendors or CLAS. However, CapitaLand Japan Kabushiki Kaisha ("**CJKK**"), an indirect wholly owned subsidiary of CapitaLand Investment ("**CLI**"), is providing acquisition and investment management services to the Purchaser in relation to the Proposed Divestment. Additionally, CJKK has informed the Managers that it has entered into an exclusivity agreement (the "**Exclusivity Agreement**") with the Purchaser where the Purchaser has agreed to grant CJKK (or such third party designated by CJKK) the right to preferentially negotiate and acquire the Property. During the term of the Exclusivity Agreement, the Purchaser will not engage in any sales activity with any third party other than with CJKK and will as soon as practicable execute a sale and purchase agreement for the Property substantially in the form attached to the Exclusivity Agreement upon receipt of a notice from CJKK.

As at the date of this Announcement, CLI, through its wholly-owned subsidiaries (including its interest in each of the Managers), has an aggregate deemed interest in 934,772,280 Stapled Securities, which comprises approximately 24.47% of the total number of Stapled Securities in issue as at the date of this Announcement¹, and is therefore regarded as a controlling Stapled Securityholder within the meaning of the listing manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**") and the Property Funds Appendix ("**Controlling Stapled Securityholder**")² of CLAS under both the Listing Manual and the Property Funds Appendix.

¹ Based on a total number of 3,819,578,764 Stapled Securities in issue as at the date of this Announcement.

² A person who: (a) holds directly or indirectly, 15.0% or more of the total voting rights in CLAS. The SGX-ST may determine that such a person is not a controlling Stapled Securityholder; or (b) in fact exercises control over CLAS.

In addition, as the Managers are each a wholly owned subsidiary of CLI, CLI is regarded as a controlling shareholder (“**Controlling Shareholder**”)¹ of each of the Managers under both the Listing Manual and the Property Funds Appendix.

For the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, CJKK (being an associate² of CLI, which is a Controlling Stapled Securityholder of CLAS and a Controlling Shareholder of each of the Managers) is (for the purpose of the Listing Manual) an “interested person” and (for the purpose of the Property Funds Appendix) an “interested party” of CLAS.

While the interested party, being CJKK, is not a direct party to the Proposed Divestment or the Sale and Purchase Agreement, having regard to the objective of Chapter 9 of the Listing Manual, Rule 904(4A)³ of the Listing Manual and the economic and commercial substance of the transaction and taking into account that (i) CJKK is providing acquisition and investment management services to the Purchaser for this transaction resulting in it representing the Purchaser in the negotiations of the Sale and Purchase Agreement against the Vendors and (ii) the Exclusivity Agreement requires the Purchaser to sell the Property to CJKK (or such other party designated by CJKK) during the exclusivity period, the Managers have deemed the Proposed Divestment as an “interested person transaction” under Chapter 9 of the Listing Manual as well as an “interested party transaction” under the Property Funds Appendix, in respect of which the approval of Stapled Securityholders will be required if the relevant thresholds are met.

6.1.2 Requirement for Stapled Securityholders’ approval under Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix

Under Chapter 9 of the Listing Manual, where CLAS proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, entered into with the same interested person during the same financial year) is equal to or exceeds 5.0% of CLAS and its subsidiaries’ (the “**CLAS Group**”) latest audited net tangible assets (“**NTA**”), Stapled Securityholders’ approval is required in respect of the transaction.

Based on the 2024 Audited Consolidated Financial Statements, the NTA of the CLAS Group was S\$4,377.0 million (represented by Stapled Securityholders’ funds) as at 31 December 2024. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by CLAS with an interested person

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- 1 A person who: (a) holds directly or indirectly, 15.0% or more of the total voting rights in the company. The SGX-ST may determine that such a person is not a controlling shareholder; or (b) in fact exercises control over a company.
 - 2 For the purposes of the Listing Manual, in the case of a company and in relation to a controlling shareholder (being a company), an “**associate**” means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more. For the purposes of the Property Funds Appendix, in relation to the controlling unitholder of the REIT (being a company), an “**associate**” means any other company which is its subsidiary or holding company, or is a subsidiary of such holding company, or one in the equity of which it or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.
 - 3 Listing Rule 904(4A) provides that SGX may deem any person or entity to be an interested person if the person or entity has entered into, or proposes to enter into: (a) a transaction with an entity at risk; and (b) an agreement or arrangement with an interested person in connection with that transaction.

is, either in itself or in aggregate with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year, equal to or exceeds S\$218.9 million, such a transaction would be subject to Stapled Securityholders' approval.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Stapled Securityholders' approval for an interested party transaction by CapitaLand Ascott REIT whose value is equal to or greater than 5.0% of CapitaLand Ascott REIT's latest audited NAV.

Based on the 2024 Audited Consolidated Financial Statements, the audited NAV of CapitaLand Ascott REIT was S\$3,734.6 million (represented by Stapled Securityholders' funds) as at 31 December 2024. Accordingly, if the value of a transaction which is proposed to be entered into by CapitaLand Ascott REIT with an interested party is equal to or greater than S\$186.7 million, such a transaction would be subject to Stapled Securityholders' approval.

With the Divestment Consideration being JPY25.0 billion (approximately S\$222.7 million), the value of the Proposed Divestment is approximately 5.1% of the latest audited NTA of the CLAS Group and 6.0% of the latest audited NAV of CapitaLand Ascott REIT as at 31 December 2024. Given that the value of the Proposed Divestment exceeds the abovementioned thresholds, the Proposed Divestment is subject to Stapled Securityholders' approval under Chapter 9 of the Listing Manual (in particular, Rule 906(1)(a) of the Listing Manual) and Paragraph 5 of the Property Funds Appendix.

6.1.3 Other Interested Person Transactions

As at the date of this Announcement, CLAS has also entered into interested person transactions with CLI and its associates during the course of the current financial year, amounting to S\$48.7 million (excluding the transactions which are the subject of this announcement), which is equivalent to approximately 1.1% of the latest audited NTA of the CLAS Group. The current total of all interested person transactions which CLAS has entered into during the current financial year (including with CLI and its associates) amounts to S\$51.0 million (excluding the transactions which are the subject of this announcement).

6.2 Discloseable Transaction

Chapter 10 of the Listing Manual governs significant transactions by CLAS such as the acquisition or divestment of assets, including options to acquire or dispose of assets. Such transactions are classified into the following categories, as set out in Rule 1004 of the Listing Manual: (a) non-discloseable transactions, (b) discloseable transactions, (c) major transactions and (d) very substantial acquisitions or reverse takeovers, depending on the size of the relative figures computed on, inter alia, the following bases of comparison set out in Rules 1006(a), 1006(b) and 1006(c) of the Listing Manual respectively:

- (i) the net asset value of the assets to be disposed of, compared with the net asset value of the CLAS Group;

- (ii) the net profits attributable to the assets acquired or disposed of, compared with the net profits of the CLAS Group; and
- (iii) the aggregate value of the consideration given or received, compared with CLAS' market capitalisation.

Where any of the relative figures computed on the bases set out above exceeds 5.0%, the transaction is classified as a discloseable transaction. Where any of the relative figures computed on the bases set out above exceeds 20.0%, the transaction is classified as a major transaction. The Listing Manual requires that a major transaction involving CLAS be made conditional upon approval by Stapled Securityholders in a general meeting. In the case of REITs, a disposal of properties is considered to be in its ordinary course of business, provided that the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual do not exceed 50.0% based on the aggregate value of all disposals in the last twelve months.

The relative figures for the Proposed Divestment using the applicable bases of comparison described above are set out in the table below.

Comparison of	Proposed Divestment (S\$ million)	CLAS Group (S\$ million)	Relative figure (%)
Rule 1006(a) NAV of the asset to be disposed of, compared with CLAS Group's NAV	111.6 ⁽¹⁾	4,277.6 ⁽²⁾	2.6 ⁽⁴⁾
Rule 1006(b) Net profits attributable to the asset disposed of, compared with CLAS Group's net profits	3.6 ⁽²⁾	100.5 ⁽²⁾	3.6 ⁽⁴⁾
Rule 1006(c) Aggregate value of the consideration to be received, compared with CLAS Group's market capitalisation	222.7	3,465.1 ⁽³⁾	6.4 ⁽⁴⁾

Notes:

- (1) Based on the book value of the Property.
- (2) Based on the unaudited results of the CLAS Group for the six-month period ended 30 June 2025.
- (3) Based on the weighted average price of S\$0.9072 as at 30 July 2025, being the market day preceding the date of the Sale and Purchase Agreement.
- (4) Taking into account the other divestments in the past 12 months, the relative figures of Rule 1006(a) is 7.4%, Rule 1006(b) is 7.8% and Rule 1006(c) is 14.5%.

As shown in the table above, the Proposed Divestment constitutes a “discloseable transaction” under Rule 1010 of the Listing Manual but does not constitute a “major transaction” under Rule 1014(1) of the Listing Manual, as the relative figure under Rule 1006(c) would exceed 5% but would not exceed 20%. Given that none of the relative figures computed on the bases set out above exceeds 50% based on the aggregate value of all disposals in the last 12 months, the Proposed Divestment is in the ordinary course of CLAS’ business pursuant to Rule 1014(3) of the Listing Manual. As such, the Proposed Divestment is not subject to Stapled Securityholders’ approval under Chapter 10 of the Listing Manual.

For the reasons explained in paragraph 6.1, the Proposed Divestment would still be subject to Stapled Securityholders’ approval under Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix.

6.3 Interests of Directors and Substantial Stapled Securityholders

Ms Beh Siew Kim, a Non-Executive Non-Independent Director of the Managers, is the Chief Financial and Sustainability Officer, Lodging of CLI. Mr Yeo Chin Fu Ervin, a Non-Executive Non-Independent Director of the Managers, is the Group Chief Strategy Officer and Chief Executive Officer, Commercial Management China and Southeast Asia of CLI.

As at the date of this Announcement, all of the directors of the Managers collectively hold an aggregate direct interest in 6,541,119 Stapled Securities and certain directors of the Managers collectively hold an aggregate direct interest in 979,420 ordinary shares of CLI.

As at the date of this Announcement, CLI, through its wholly owned subsidiaries (including its interest in each of the Managers), has an aggregate deemed interest in 934,772,280 Stapled Securities, which comprises approximately 24.47% of the total number of Stapled Securities in issue as at the date of this Announcement¹.

Save as disclosed in this Announcement and based on the information available to the Managers as at the date of this Announcement, none of the Directors or the Substantial Stapled Securityholders² has an interest, direct or indirect, in the Proposed Divestment.

6.4 Directors’ Service Contracts

No person is proposed to be appointed as a director of the Managers in connection with the Proposed Divestment or any other transactions contemplated in relation to the Proposed Divestment.

It should be noted that separate from the Proposed Divestment, directors of the Managers may be appointed or replaced in line with the normal board renewal process.

7. OPINION OF THE INDEPENDENT FINANCIAL ADVISER AND STATEMENT OF THE INDEPENDENT DIRECTORS, THE AUDIT AND RISK COMMITTEE

The REIT Manager has appointed Ernst & Young Corporate Finance Pte Ltd as the independent financial adviser (the “IFA”) pursuant to Rule 921(4)(a) of the Listing Manual as well as to advise the independent directors of the REIT Manager, the audit and risk

¹ Based on a total number of 3,819,578,764 Stapled Securities in issue as at the date of this Announcement.

² “**Substantial Stapled Securityholder**” means a person with an interest in Stapled Securities constituting not less than 5.0% of the total number of Stapled Securities in issue.

committee (the “**Audit and Risk Committee**”) of the REIT Manager and the REIT Trustee in relation to the Proposed Divestment.

The opinion of the Audit and Risk Committee of the REIT Manager and the IFA as to whether the Proposed Divestment is on normal commercial terms and is not prejudicial to the interests of CLAS and its minority Stapled Securityholders will be disclosed in the Circular.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Managers¹ at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912 from the date of this Announcement up to and including the date falling three months after the date of this Announcement:

- (i) the Sale and Purchase Agreement;
- (ii) the independent valuation reports on the Property issued by C&W and Colliers; and
- (iii) the 2024 Audited Consolidated Financial Statements.

The Trust Deeds will also be available for inspection at the registered office of the Managers for so long as CLAS is in existence.

BY ORDER OF THE BOARD

CAPITALAND ASCOTT TRUST MANAGEMENT LIMITED

(Company Registration No. 200516209Z)

As manager of CapitalLand Ascott Real Estate Investment Trust

CAPITALAND ASCOTT BUSINESS TRUST MANAGEMENT PTE. LTD.

(Company Registration No. 201925299R)

As trustee-manager of CapitalLand Ascott Business Trust

Karen Chan

Company Secretary

31 July 2025

¹ Prior appointment with the Managers is required. Please contact Investor Relations (telephone: +65 6713 2888).

Important Notice

The past performance of CapitaLand Ascott Trust (“**CLAS**”) is not indicative of future performance. The listing of the stapled securities in CLAS (the “**Stapled Securities**”) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) does not guarantee a liquid market for the Stapled Securities. 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, CapitaLand Ascott Trust Management Limited as manager of CapitaLand Ascott Real Estate Investment Trust or CapitaLand Ascott Business Trust Management Pte. Ltd. as trustee-manager of CapitaLand Ascott Business Trust (collectively, the “**Managers**”) 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. Investors have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed on the SGX-ST. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on the SGX-ST.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Stapled Securities.