



(Constituted in the Republic of Singapore  
Pursuant to a trust deed dated 9 October 2002 (as amended))

## COMPLETION OF THE ACQUISITION OF THE UK LOGISTICS PORTFOLIO

*Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as defined in the announcement dated 26 July 2018 and titled "Proposed Acquisition of UK Logistics Portfolio" (the "Announcement").*

### 1. Completion of the Proposed Acquisition

Further to the Announcement in relation to the proposed acquisition of a portfolio of 12 logistics properties located in the UK (the "**Target Portfolio**" or the "**Properties**" and each a "**Property**") on 26 July 2018, Ascendas Funds Management (S) Limited, the manager of Ascendas Real Estate Investment Trust ("**Ascendas Reit**", and the manager of Ascendas Reit, the "**Manager**"), is pleased to announce that Ascendas Reit has completed the acquisition of the Properties today (the "**Completion**") pursuant to the Share Purchase Agreement.

The purchase consideration (including the deposit paid) for the Proposed Acquisition is estimated to be approximately £200.03 million (approximately S\$360.11 million) (the "**Purchase Consideration**"), subject to post-completion adjustments. The Purchase Consideration was determined based on the adjusted net asset value of the Target Propcos as at Completion which takes into account the Agreed Portfolio Value of £207,270,000. The professional fees, insurance premiums, and other fees and expenses incurred by Ascendas Reit in connection with the Proposed Acquisition amount to approximately £2.91 million (approximately S\$5.24 million). As announced, the Proposed Acquisition is fully funded by Pound Sterling denominated debt.

The acquisition fee payable to the Manager (the "**Acquisition Fee**") in respect of the Completion, being 1.0% of the Agreed Portfolio Value, amounts to approximately £2.07 million (approximately S\$3.73 million) and will be paid to the Manager in cash.

Following the Completion, Ascendas Reit owns 99 properties in Singapore, 33 properties in Australia and 12 properties in the UK.

### 2. Asset and Lease Management Agreement

Following completion of the Proposed Acquisition, Ascendas Reit has today appointed Ascendas Investment Pte Ltd ("**AIPL**") as the asset manager for a term of approximately four years till 30 September 2022 to provide certain asset management, lease management and project management services in respect of the properties located in Europe, including the Properties, held (whether directly or indirectly) by Ascendas Reit from time to time. AIPL is an indirect wholly-owned subsidiary of Ascendas-Singbridge Pte Ltd, the sponsor of Ascendas Reit (the "**Sponsor**"). In connection with the foregoing, the Manager, the Trustee

and AIPL will be entering into a master asset and lease management agreement (the “**Master ALMA**”) concurrently with the completion of the Proposed Acquisition.

Pursuant to the Master ALMA, individual asset and lease management agreements (the “**Individual ALMAs**”, together with the Master ALMA, the “**ALMAs**”) will from time to time also be entered into by each underlying asset holding company with AIPL or its subsidiaries. In this connection, the Target Propcos have today entered into Individual ALMAs with Ascendas Management (UK) Ltd (“**AMUK**”), a wholly-owned subsidiary of AIPL, to appoint AMUK as the asset manager for the Properties for a term of approximately four years till 30 September 2022.

In consideration of AIPL and/or its subsidiaries providing the asset management, lease management and project management services under the ALMAs, AIPL and/or their subsidiaries will be entitled to asset management fees, lease management fees and project management fees under the ALMAs. In particular, the payment of asset management fees to AIPL and/or its subsidiaries under the ALMAs will reduce the base management fees payable to the Manager under the trust deed constituting Ascendas Reit dated 9 October 2002 (as amended) correspondingly, such that there is no double-counting of the payment of the asset management fees under the ALMAs and the payment of base management fees to the Manager. The lease management fees and the project management fees payable to AIPL and/or its subsidiaries under the ALMAs will be separately borne by Ascendas Reit out of its deposited property.

### **3. Interested Person Transactions under Chapter 9 of the Listing Manual**

As at the date of this announcement, the Sponsor, through Ascendas Land (Singapore) Pte Ltd, AIPL and the Manager, holds an aggregate interest in 587,057,292 Units, which is equivalent to approximately 20.03% of the total number of Units in issue, and is therefore regarded as a “controlling Unitholder” of Ascendas Reit under the Listing Manual. In addition, as the Manager is owned by AIPL (which is a wholly-owned subsidiary of the Sponsor), the Sponsor is therefore regarded as a “controlling shareholder” of the Manager under both the Listing Manual and Appendix 6 of the Code on Collective Investment Schemes (the “**Property Funds Appendix**”).

AIPL and AMUK are both indirect wholly-owned subsidiaries of Ascendas-Singbridge Pte Ltd. Accordingly, AIPL and AMUK (being indirectly wholly-owned subsidiaries of a “controlling Unitholder” and a “controlling shareholder” of the Manager) are “interested persons” and “interested parties” of Ascendas Reit for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix respectively.

Therefore, the entry into the ALMAs are “interested person transactions” under Chapter 9 of the Listing Manual and “interested party transactions” under paragraph 5 of the Property Funds Appendix. However, the aggregate value of the transactions (when aggregated with the existing interested person transactions entered into with the same interested person group in the current financial year) falls below 3.0% of Ascendas Reit’s latest audited net tangible asset value or net asset value for the financial year ended 31 March 2018. As such, the entry into the ALMAs do not fall within Rule 905 or 906 of the Listing Manual and paragraph 5.2 of the Property Funds Appendix, and Unitholders’ approval is not required for entry into the ALMAs.

BY ORDER OF THE BOARD  
**ASCENDAS FUNDS MANAGEMENT (S) LIMITED**  
(as manager of Ascendas Real Estate Investment Trust)

Mary Judith De Souza  
Company Secretary  
16 August 2018

**Important Notice**

The value of units in Ascendas Reit (“**Units**”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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

The past performance of Ascendas Reit is not necessarily indicative of the future performance of Ascendas Reit.

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 Manager’s current view of future events.