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

**LAUNCH OF PRIVATE PLACEMENT TO RAISE GROSS PROCEEDS OF
APPROXIMATELY S\$420.0 MILLION**

1. Introduction

Ascendas Funds Management (S) Limited, in its capacity as manager of Ascendas Real Estate Investment Trust ("**Ascendas Reit**", and as manager of Ascendas Reit, the "**Manager**"), wishes to announce the proposed private placement of such number of new units in Ascendas Reit ("**Units**", and such new units, the "**New Units**") to institutional and other investors at an issue price of between S\$2.944 (the "**Minimum Issue Price**") and S\$3.019 (per New Unit (both figures inclusive) (the "**Issue Price Range**")) to raise gross proceeds of approximately S\$420.0 million (the "**Private Placement**").

2. Details of the Private Placement

The Manager, Citigroup Global Markets Singapore Pte. Ltd. ("**Citi**") and DBS Bank Ltd. ("**DBS**", and together with Citi, the "**Joint Lead Managers and Underwriters**") have today entered into a placement agreement (the "**Placement Agreement**") in relation to the Private Placement. Pursuant to the Placement Agreement, each of the Joint Lead Managers and Underwriters has agreed to procure subscriptions for or place out, as applicable, and failing which, to subscribe and pay for, the New Units at the issue price per New Unit (the "**Issue Price**") to be determined, on the terms and subject to the conditions of the Placement Agreement. The Private Placement shall be subject to certain conditions precedent set out in the Placement Agreement, including the approval in-principle of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of and quotation for the New Units on the Main Board of the SGX-ST. The Private Placement is fully underwritten by the Joint Lead Managers and Underwriters on the terms and subject to the conditions of the Placement Agreement.

The Issue Price Range of between S\$2.944 and S\$3.019 per New Unit (both figures inclusive) represents a discount of between:

- (i) 2.8% and 5.2% to the volume weighted average price ("**VWAP**") of S\$3.1062 per

Unit for trades in the Units done on the SGX-ST for the Market Day¹ the Placement Agreement was signed being 4 May 2021; and

- (ii) (for illustrative purposes only) 1.0% and 3.5% to the adjusted VWAP² of S\$3.0499 per Unit.

The Issue Price will be determined by the Manager and the Joint Lead Managers and Underwriters following a book-building process. The Manager will make an announcement via SGXNET once the Issue Price has been determined.

3. Use of Proceeds

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of approximately S\$420.0 million from the Private Placement in the following manner:

- (i) approximately S\$240.1 million³ (which is equivalent to 57.2% of the gross proceeds of the Private Placement) to partially fund the acquisition⁴ of the balance 75.0% stake in the property located at 1 Fusionopolis Place, Singapore 138522 and 3 Fusionopolis Place, Singapore 138523 (the “**Proposed Acquisition**”) and the associated costs;
- (ii) approximately S\$173.4 million (which is equivalent to 41.3% of the gross proceeds of the Private Placement) to be used for debt repayment purposes (including debt previously drawn down for investments, developments and/or asset enhancement initiatives). This will enable A-REIT to reduce its aggregate leverage from approximately 38.0% to approximately 37.0%⁵; and
- (iii) approximately S\$6.5 million (which is equivalent to 1.5% of the gross proceeds of the Private Placement) to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by Ascendas Reit 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 its current intention, in the event that the Private Placement is completed but the Proposed Acquisition does not proceed for whatever reason, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement

1 “**Market Day**” refers to a day on which the SGX-ST is open for securities trading.

2 The adjusted VWAP is computed based on the VWAP of all trades in the Units on the SGX-ST for the full Market Day the Placement Agreement was signed being 4 May 2021 and subtracting the Advanced Distribution (as defined herein) of approximately 5.63 cents per Unit. This amount is only an estimate based on information currently available to the Manager and the Manager’s estimate of Ascendas Reit’s revenue and expenses, and the actual Advanced Distribution may differ.

3 For optimal capital management purposes, amounts set aside for potential acquisition may be used to repay some debt around the time of the acquisition while Ascendas Reit takes on additional debt to fund the acquisition.

4 On 4 May 2021, the Manager had announced the proposed acquisition of the balance 75% stake in the property located at 1 Fusionopolis Place, Singapore 138522 and 3 Fusionopolis Place, Singapore 138523 (see announcement titled “Proposed Acquisition of 75% of the Total Issued Share Capital of Ascendas Fusion 5 Pte. Ltd.” dated 4 May 2021 for further details).

5 See paragraph 4.2 of this announcement for further details.

at its absolute discretion for other purposes, including, without limitation, to repay existing indebtedness and fund future acquisitions and capital expenditures.

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 Manager may, in its absolute discretion, deem fit.

The Manager 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. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

4. Rationale for the Private Placement

The Manager intends to use the net proceeds from the Private Placement towards the Proposed Acquisition, and the repayment of borrowings, which will bring the following benefits to unitholders of Ascendas Reit (“**Unitholders**”).

4.1 Benefits of the Proposed Acquisition

The Proposed Acquisition will bring the following benefits to Unitholders:

- (i) Enlarges Ascendas Reit’s business park exposure in one-north, Singapore;
- (ii) Strategic location;
- (iii) Rare opportunity to acquire and achieve full control of a Singapore property with long remaining land lease tenure;
- (iv) A high quality and green certified business park property with high White Component⁶;
- (v) High occupancy rate underpinned by renowned tenants; and
- (vi) Distributions per unit and net asset value accretive to Unitholders,

(See announcement titled “Proposed Acquisition of 75% of the Total Issued Share Capital of Ascendas Fusion 5 Pte. Ltd.” dated 4 May 2021 (the “**Acquisition Announcement**”) for further information.)

4.2 Strengthen Ascendas Reit’s balance sheet and capital structure and enhance its financial flexibility

Ascendas Reit’s Aggregate Leverage⁷ is expected to decrease from 38.0% to 37.0%,

6 Allowable uses within the White component under the Urban Redevelopment Authority of Singapore’s development control guidelines include office, restaurant, shop etc. Source: Urban Redevelopment Authority of Singapore.

7 “**Aggregate Leverage**” is defined in the Property Funds Appendix (Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore as the ratio of Ascendas Reit’s borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or Units) to the value of its deposited property.

assuming that the Proposed Acquisition will be funded immediately after the Private Placement and the issuance of the Consideration Units (as defined in the Acquisition Announcement) as illustrated in the table below.

	As of 31 March 2021	Assuming the Proposed Acquisition is funded immediately after the Private Placement and taking into account the issuance of the Consideration Units (as defined in the Acquisition Announcement) ⁽¹⁾
Aggregate Leverage	38.0%	37.0%

Notes:

(1) Based on Ascendas Reit's Aggregate Leverage as at 31 March 2021 and assuming the deployment of the net proceeds of the Private Placement for their intended use as described in the section "Use of Proceeds" above.

The Private Placement will provide Ascendas Reit with greater financial capacity to capitalise on and pursue further growth opportunities, including acquisitions of income-producing properties and built-to-suit development projects, as and when they may arise to create greater value and returns for Unitholders.

With the proceeds from the Private Placement, Ascendas Reit will be able to act more expeditiously and be more responsive when pursuing potential growth opportunities, which are essential in a competitive environment where the timelines in making bids and making payment for acquisition of income-producing properties are important.

4.3 Possible increase in trading liquidity of Units

The New Units to be issued pursuant to the Private Placement will increase the number of Units in issue by between 139.1 million to 142.7 million New Units, which represents an increase of between 3.46% to 3.55% of the total number of Units currently in issue.

This increase in the total number of Units in issue and enlarged Unitholder base are expected to improve the trading liquidity of the Units.

5. Authority to Issue New Units

The New Units will be issued pursuant to a general mandate (the "**General Mandate**") given to the Manager at the annual general meeting ("**AGM**") held on 29 April 2021, pursuant to which the Manager may, during the period from 29 April 2021 to (i) the conclusion of the next AGM of Ascendas Reit or (ii) the date by which the next AGM of Ascendas Reit is required by applicable regulations to be held, whichever is earlier, issue new Units and/or securities, warrants, debentures or other instruments convertible into Units ("**Convertible Securities**") such that the number of new Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the total number of Units in issue (excluding treasury Units, if any) as at 29 April 2021 (the "**Base Figure**"), of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be converted) issued other than on a pro-rata basis to existing Unitholders, shall not be more

than 20.0% of the Base Figure.

As at 29 April 2021, the number of Units in issue was 4,020,842,385.

The amount of Units that can be issued under the General Mandate is 2,010,421,192 Units, of which no more than 804,168,477 Units may be issued for a non pro-rata placement. The Manager has not issued any Units since 29 April 2021 on a non pro-rata basis.

The between 139.1 million to 142.7 million New Units to be issued pursuant to the Private Placement would constitute between 3.46% to 3.55% of the Base Figure, which is within the 20.0% limit for issue of new Units other than on a pro-rata basis. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

6. Eligibility to Participate in the Private Placement

The offer of New Units under the Private Placement will be made to eligible institutional, accredited and other investors.

The New Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state or other jurisdiction of the United States, or under the securities laws of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with applicable state laws.

The Manager, along with the Joint Lead Managers and Underwriters, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

7. Status of the New Units

7.1 Entitlement to Advanced Distribution

Ascendas Reit’s policy is to distribute its distributable income on a semi-annual basis to Unitholders.

In connection with the Private Placement, the Manager intends to declare, in respect of the Units in issue on the day immediately prior to the date on which the New Units pursuant to the Private Placement are issued (the “**Existing Units**”), a distribution of the distributable income for the period from 1 January 2021 to the day immediately prior to the date on which the New Units are issued pursuant to the Private Placement (the “**Advanced Distribution**”).

The New Units pursuant to the Private Placement are expected to be listed on 14 May 2021. The current expectation of the Manager is that the quantum of distribution per Unit under the Advanced Distribution will be approximately 5.63 cents⁸. A further announcement on the actual amount of Advanced Distribution (which may differ from the estimate above) will be

⁸ This amount is an estimate only based on information currently available to the Manager and the Manager’s estimate of Ascendas Reit’s revenue and expenses and the actual Advanced Distribution may differ. The actual quantum of the distribution will be announced on a later date after the closure of the Transfer Books and Register of Unitholders.

made by the Manager in due course after the management accounts of Ascendas Reit for the relevant period have been finalised.

The next distribution thereafter will comprise Ascendas Reit's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 30 June 2021. Semi-annual distributions will resume thereafter.

The Advanced Distribution is intended to ensure that the distributable income accrued by Ascendas Reit up to the day immediately preceding the date of issue of the New Units (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

7.2 Status of New Units issued pursuant to the Private Placement

The New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to Ascendas Reit's distributable income from the day of issuance of the New Units under the Private Placement as well as all distributions thereafter, other than in respect of the Advanced Distribution.

For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Private Placement will not be entitled to the Advanced Distribution.

8. Application to the SGX-ST for Approval in-Principle

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

BY ORDER OF THE BOARD
ASCENDAS FUNDS MANAGEMENT (S) LIMITED
(Company Registration No. 200201987K)
(as manager of Ascendas Real Estate Investment Trust)
Mary Judith de Souza
Company Secretary
4 May 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 only and does not constitute or form part of an offer, invitation or solicitation of any securities of Ascendas Reit 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.

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 Units 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 U.S. 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.

The value of Units and the income derived from them, if any, 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 should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. 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.

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

All figures in this announcement unless expressed differently or otherwise stated are rounded off to one decimal place.

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 New Units 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).