



ASCENDAS HOSPITALITY TRUST

Ascendas Hospitality Real Estate Investment Trust

(A real estate investment trust constituted on 13 March 2012 under the laws of the Republic of Singapore)

Managed by
Ascendas Hospitality Fund Management Pte. Ltd.
(Company Registration No. 201133966D)

Ascendas Hospitality Business Trust

(A business trust constituted on 13 March 2012 under the laws of the Republic of Singapore)

Managed by
Ascendas Hospitality Trust Management Pte. Ltd.
(Company Registration No. 201135524E)

TERMINATION OF THE ACQUISITION OF THE SERVICED APARTMENTS COMPONENT AT 224 – 252 LA TROBE STREET, MELBOURNE, AUSTRALIA

1. INTRODUCTION

The boards of directors of Ascendas Hospitality Fund Management Pte. Ltd. (as manager of Ascendas Real Estate Investment Trust ("**A-HREIT**")) (the "**REIT Manager**") and Ascendas Hospitality Trust Management Pte. Ltd. (as trustee-manager of Ascendas Hospitality Business Trust) (collectively, with the REIT Manager, the "**Managers**") refer to the announcement dated 3 December 2015 in relation to the acquisition (the "**Acquisition**") by Ascendas Australia Hotel Trust ("**AAHT**") of the serviced apartments component of a mixed-use development at 224 – 252 La Trobe Street, Melbourne, Australia (the "**Property**").

2. TERMINATION OF THE ACQUISITION

2.1 **Factual Background**

On 3 December 2015, the board of directors of the Managers had announced that The Trust Company (RE Services) Limited (the "**Purchaser**"), as trustee for AAHT had entered into a contract of sale ("**Contract**") with UEM Sunrise (La Trobe Street) Pty Ltd (the "**Vendor**") to acquire the Property.

Under the terms of the Contract, the purchase consideration for the Property was AUD\$120,000,000 (the "**Purchase Consideration**"), with a deposit of AUD\$5,000,000 (the "**Deposit**") paid by the Purchaser upon the execution of the Contract. The balance of the Purchase Consideration was to be paid on the date on which the certificate of practical completion in respect of the Property is issued to the Purchaser and Vendor.

2.2 Deed of Termination

As a result of certain issues relating to the specifications and the condition of the Property, which the Purchaser and Vendor have not been able to resolve despite their best efforts and negotiations, the Purchaser and the Vendor have mutually agreed to terminate the Acquisition and the Contract with immediate effect by entering into a deed of termination dated 13 September 2019 ("**Deed of Termination**"). Pursuant to the Deed of Termination, the Deposit shall be returned to the Purchaser together with an agreed compensation sum to cover expenses incurred.

Each of the Purchaser and the Vendor agrees that, subject to the parties fulfilling their respective obligations provided in the Deed of Termination, it shall discharge the other party (and each of the other party's directors, officers, employees and agents) from all claims, actions, obligations and liability arising from or connection with the Contract.

2.3 Management Agreement in relation to the Property

As a consequence of the termination of the Acquisition and the Contract, the Managers are taking steps to terminate the management agreement that was entered in on 18 October 2016 in relation to the Property.

3. **FINANCIAL IMPACT**

The termination of the Contract and Acquisition is not expected to have any material adverse impact on the net property income and distribution per issued and paid up stapled security in Ascendas Hospitality Trust ("**A-HTRUST**") ("**Stapled Security**") for the financial year ending 31 December 2019. The termination of the Acquisition and the Contract is also not expected to have any impact on the terms of the proposed combination of Ascott Residence Trust and A-HTRUST announced on 3 July 2019.

4. **INTERESTS OF DIRECTORS AND CONTROLLING STAPLED SECURITYHOLDERS**

As at the date of this announcement and based on the information available to the Managers as at the date of this announcement, save for the Stapled Securities held by certain directors of the Managers and the controlling holders of Stapled Securities ("**Stapled Securityholders**"), none of the directors of the Managers or the controlling Stapled Securityholders have an interest, direct or indirect, in the termination of the Acquisition and the Contract.

5. **DIRECTORS' RESPONSIBILITY STATEMENT**

The directors of the Managers (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement which relate to A-HTRUST and/or the Managers are fair and accurate and that there are no other material facts not contained in this announcement the omission of which would make any statement in this announcement misleading. The directors of the Managers jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Managers has been to ensure

through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

By Order of the Board

ASCENDAS HOSPITALITY FUND MANAGEMENT PTE. LTD.

(Company Registration No. 201133966D)

As Manager of Ascendas Hospitality Real Estate Investment Trust

ASCENDAS HOSPITALITY TRUST MANAGEMENT PTE. LTD.

(Company Registration No. 201135524E)

As Trustee-Manager of Ascendas Hospitality Business Trust

13 September 2019

Important Notice

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 average daily room rates 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.

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, Perpetual (Asia) Limited (in its capacity as trustee of A-HREIT), or any of their respective affiliates.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Stapled Securities. 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 Stapled Securityholders may only deal in their Stapled Securities through trading on Singapore Exchange Securities Trading Limited (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 A-HTRUST is not necessarily indicative of the future performance of A-HTRUST.