



NEWS RELEASE

For immediate release

CapitaLand Ascendas REIT to divest KA Place in Singapore at a premium to valuation

20 April 2023, Singapore – CapitaLand Ascendas REIT Management Limited, as the manager (the “**Manager**”) of CapitaLand Ascendas REIT (“**CLAR**”), is pleased to announce that HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CLAR (the “**Trustee**”), has entered into a sale and purchase agreement today for the sale of KA Place, 159 Kampong Ampat in Singapore (the “**Property**”) to KA Place SPV 1 Pte. Ltd. for a sale consideration of S\$35.38 million (the “**Sale Consideration**”).

The Sale Consideration represents a 219% premium to the original March 2005 purchase price of S\$11.1 million and a 55% premium to the market valuation of the Property of S\$22.8 million¹ as at 31 December 2022. The divestment of the Property (the “**Proposed Divestment**”) is not expected to have any material impact on CLAR’s net asset value and distribution per Unit for the financial year ending 31 December 2023.

The Proposed Divestment is in line with the Manager’s proactive asset management strategy to improve the quality of CLAR’s portfolio and optimise returns for unitholders of CLAR (“**Unitholders**”). After careful evaluation, the Manager has decided that it is an opportune time to divest the Property and redeploy the capital towards value-adding opportunities.

Assuming the Proposed Divestment was completed on 1 January 2022, the proforma impact on CLAR’s net property income and distribution per Unit for the financial year ended 31 December 2022 would have been a decrease of S\$0.92 million and 0.005 Singapore cents, respectively.

¹ In accordance with the requirements of Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore, the Manager and the Trustee have commissioned Savills Valuation And Professional Services (S) Pte Ltd to carry out a valuation of the Property as at 31 December 2022 using the discounted cashflow analysis and income capitalisation approaches.

Net proceeds after divestment costs are expected to be S\$30.65 million. The net proceeds may be recycled to fund committed investments, repay existing indebtedness, extend loans to subsidiaries, fund general corporate and working capital needs and/or make distributions to Unitholders. If the net proceeds were used to repay CLAR's borrowings as at 31 December 2022, CLAR's aggregate leverage will be reduced from 36.3% to approximately 36.2%.

The Proposed Divestment is expected to complete within the second quarter of 2023. Upon completion, CLAR will own 229 properties comprising 96 properties in Singapore, 36 properties in Australia, 48 properties in the United States, and 49 properties in the United Kingdom/Europe.

In accordance with the trust deed dated 9 October 2002 constituting CLAR (as amended, varied and/or supplemented from time to time), the Manager is entitled to a divestment fee of 0.5% of the Sale Consideration of the Property, which would be paid in cash.

About the Property

KA Place, 159 Kampong Ampat is a 7-storey high-specification industrial building with a car park on the second storey. The Property has a total gross floor area of 10,163 sqm. The Property has a remaining land lease tenure of about 35 years.

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About CapitaLand Ascendas REIT (www.capitaland-ascendasreit.com)

CapitaLand Ascendas REIT (CLAR), formerly known as Ascendas Real Estate Investment Trust (Ascendas Reit), is Singapore's first and largest listed business space and industrial real estate investment trust. It was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in November 2002.

CLAR has since grown to be a global REIT anchored in Singapore, with a strong focus on tech and logistics properties in developed markets. As at 31 December 2022, its investment properties under management stood at S\$16.4 billion. It currently owns a total of 229 properties across three segments, namely Business Space and Life Sciences; Logistics; and Industrial and Data Centres. These properties are in the developed markets of Singapore, the United States, Australia, and the United Kingdom/Europe.

These properties house a tenant base of around 1,720 international and local companies from a wide range of industries and activities, including data centres, information technology, engineering, logistics & supply chain management, biomedical sciences, financial services (backroom office support), electronics, government and other manufacturing and services industries. Major tenants include Singtel, DSO National Laboratories, SEA Group, Stripe, DBS, Citibank, Pinterest, Equinix, J.P. Morgan and Carefusion.

CLAR is listed in several indices. These include the FTSE Straits Times Index, the Morgan Stanley Capital International, Inc (MSCI) Index, the European Public Real Estate Association/National Association of Real Estate Investment Trusts (EPRA/NAREIT) Global Real Estate Index and Global Property Research (GPR) Asia 250. CLAR has an issuer rating of 'A3' by Moody's Investors Service.

CLAR is managed by CapitaLand Ascendas REIT Management Limited, formerly known as Ascendas Funds Management (S) Limited, a wholly owned subsidiary of CapitaLand Investment Limited, a leading global real estate investment manager with a strong Asia foothold.

About CapitaLand Investment Limited (www.capitalandinvest.com)

Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real estate investment manager (REIM) with a strong Asia foothold. As at 31 December 2022, CLI had S\$132 billion of real estate assets under management, and S\$88 billion of real estate funds under management (FUM) held via six listed real estate investment trusts and business trusts, and more than 30 private vehicles across Asia Pacific, Europe, and USA. Its diversified real estate asset classes cover retail, office, lodging, business parks, industrial, logistics and data centres.

CLI aims to scale its FUM and fee-related earnings through fund management, lodging management and its full stack of operating capabilities, and maintain effective capital management. As the investment management arm of CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve net zero emissions by 2050. CLI contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

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This press release may contain forward-looking statements. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements because of several 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, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training, property operating expenses), 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 current view of management regarding future events. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this press release. Neither CapitaLand Ascendas REIT Management Limited (formerly known as Ascendas Funds Management (S) Limited) (“**Manager**”) nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use of, reliance on or distribution of this press release or its contents or otherwise arising in connection with this press release.

The past performance of CapitaLand Ascendas REIT (formerly known as Ascendas Real Estate Investment Trust) (“**CLAR**”) is not indicative of future performance. The listing of the units in CLAR (“**Units**”) on the Singapore Exchange Securities Trading Limited (SGX-ST) does not guarantee a liquid market for the Units. The value of the 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. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST.

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