



(Constituted in the Republic of Singapore pursuant to a trust deed dated 19 January 2006 (as amended))

ANNOUNCEMENT

DISCLOSURES PURSUANT TO RULE 704(31) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Pursuant to Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Ascott Residence Trust Management Limited (“**ARTML**”) as manager of Ascott Residence Trust (“**Ascott REIT**”), hereby discloses that under a facility letter dated 3 March 2016 and accepted on 14 March 2016 (the “**Facility Agreement**”) made between DBS Trustee Limited (in its capacity as trustee of Ascott REIT) (the “**Trustee**”) as borrower and The Hongkong and Shanghai Banking Corporation Limited (the “**Lender**”) as lender, there are conditions (i) which restrict the change in control of ARTML as the manager of Ascott REIT, and/or (ii) which are tied to the change of ARTML as the manager of Ascott REIT (collectively referred to as the “**Conditions**”). Please refer to the Appendix for details.

As at the date of this Announcement, there has been no breach of the Conditions.

BY ORDER OF THE BOARD

Ascott Residence Trust Management Limited

(Registration Number: 200516209Z)

As manager of Ascott Residence Trust

Kang Siew Fong / Regina Tan

Joint Company Secretaries

17 March 2016

IMPORTANT NOTICE

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

Investors have no right to request the Company to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

The past performance of Ascott Residence Trust is not necessarily indicative of the future performance of Ascott Residence Trust.

1. Details of the Conditions

The Facility Agreement contains the following Conditions, the breach of which may have the effect as set out in paragraph 2 below:

- (a) ARTML or any Subsidiary (within the meaning of section 5 of the Companies Act, Chapter 50 of Singapore) of The Ascott Limited ceasing to act as the Manager.
- (b) The Ascott Limited ceases to hold, whether directly or indirectly, more than 50 per cent of the issued share capital of the Manager.

2. Effect of a breach of the Conditions

If a Condition is breached, the Lender may withdraw or cancel the whole or any part of the facility made under the Facility Agreement and/or demand repayment of all sums owing. This may also trigger cross defaults of one or more of the other facilities and other borrowings of Ascott REIT and/or its subsidiaries (collectively referred to as the "**Facilities**"). In such an event, the aggregate level of the Facilities which are outstanding and may be affected by such breach would be about S\$1,890.4 million (excluding interest) as at 16 March 2016.

As at the date of this Announcement, there has been no breach of the Conditions.