



A Member of CapitaLand

Comprising:

**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.

**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.

Extraordinary General Meeting
A-HTRUST Trust Deeds Amendments Resolution
A-HTRUST Trust Deeds Amendments

Scheme Meeting
A-HTRUST Scheme Resolution
The Combination of Ascott Reit and A-HTRUST
by way of a Trust Scheme of Arrangement

Scheme Consideration of

S\$1.0868 per
A-HTRUST Stapled Security

Scheme Consideration will be satisfied by:

S\$0.0543 in cash
per A-HTRUST Stapled Security; and

0.7942 new Ascott Reit-BT Stapled
Units per A-HTRUST Stapled Security

Important Dates and Times

	Extraordinary General Meeting	Scheme Meeting⁽¹⁾
Last Date and Time For Lodgement of Proxy Form	19 October 2019 at 2.30 P.M.	19 October 2019 at 3.30 P.M.
Date and Time	21 October 2019 at 2.30 P.M.	21 October 2019 at 3.30 P.M. or as soon thereafter following the conclusion of the EGM to be held, whichever is later
Venue	Raffles City Convention Centre, Canning Ballroom, Level 4, 2 Stamford Road, Singapore 178882	

(1) The Scheme Meeting will only be convened if the A-HTRUST Trust Deeds Amendments Resolution is passed by Extraordinary Resolution at the Extraordinary General Meeting



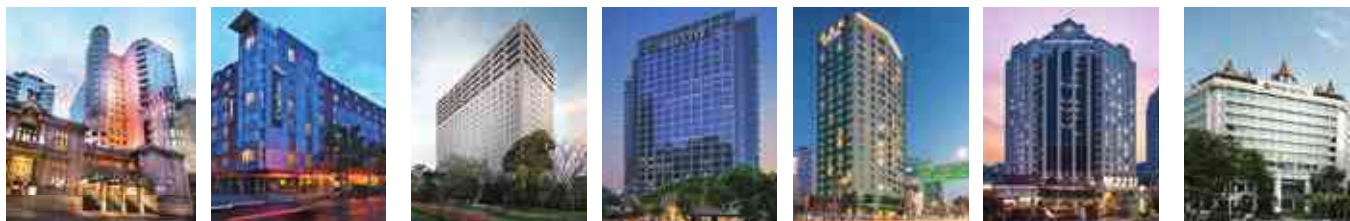
YOUR VOTE COUNTS. Please vote in person or by proxy

Morgan Stanley

Sole Financial Adviser to the
A-HTRUST Managers

DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200200144N)
Independent Financial Adviser to the
A-HTRUST Independent Directors



IMPORTANT NOTICE

IF YOU ARE IN ANY DOUBT ABOUT THIS SCHEME DOCUMENT OR TO THE COURSE OF ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all or any of your A-HTRUST Stapled Securities, you should immediately hand this Scheme Document and the accompanying Proxy Forms to the purchaser or transferee or to the bank, stockbroker or agent through which the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Scheme Document.

All capitalised terms shall, if not otherwise defined, have the same meaning as ascribed to them in this Scheme Document.

A-HTRUST TO BECOME PART OF THE LARGEST HOSPITALITY TRUST IN ASIA PACIFIC



88
Properties⁽¹⁾



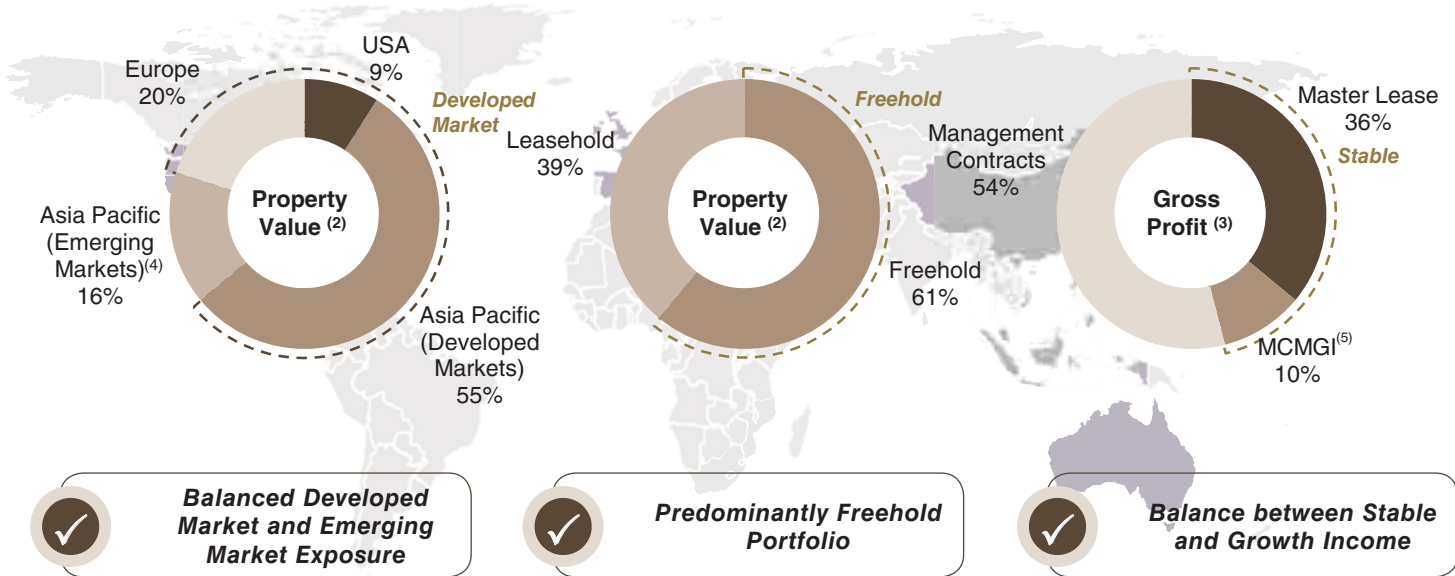
15
Countries



>15
Global Brands



Sponsorship of Leading Owner-Operator Hospitality Platform



Notes:

- (1) Includes lyf one-north Singapore for Ascott Reit
- (2) Combined Entity's Property Value of S\$6.7Bn based on A-HTRUST's and Ascott Reit's financials as at 31 March 2019 and 31 December 2018 respectively
- (3) Combined Entity's Gross Profit of S\$325MM based on A-HTRUST's and Ascott Reit's financials for the year ended 31 March 2019 and 31 December 2018 respectively
- (4) Emerging markets include China, Indonesia, Malaysia, the Philippines and Vietnam based on FTSE EPRA Nareit classification
- (5) MCMGI means Management Contracts with Minimum Guaranteed Income

KEY BENEFITS OF THE COMBINATION



✓ Value Accretive to A-HTRUST Stapled Securityholders

✓ Enlarged and Diversified Portfolio to Enhance Resilience

✓ Participation in the Proxy Hospitality Trust in Asia Pacific

✓ Increased Flexibility and Ability to Drive Growth

✓ Benefit from Ascott's Owner-Operator Hospitality Platform

S\$7.6Bn⁽¹⁾
Total Assets
Largest Hospitality Trust in Asia Pacific

88⁽²⁾
Properties in 15 Countries

2.5x
Debt Headroom

+32%⁽³⁾
Premium to L12M VWAP

+1.8%
FY18/19 Pro-Forma DPU

Notes:

- (1) As at 31 March 2019
- (2) Includes lyf one-north Singapore for Ascott Reit
- (3) VWAP with reference to 12 months up to and including 2 July 2019

OPINION OF THE A-HTRUST IFA AND RECOMMENDATIONS OF THE A-HTRUST DIRECTORS AND THE A-HTRUST INDEPENDENT DIRECTORS

OPINION OF THE A-HTRUST IFA

**DELOITTE & TOUCHE
CORPORATE
FINANCE PTE LTD
A-HTRUST IFA**

“Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the opinion that the financial terms of the A-HTRUST Scheme are fair and reasonable. Accordingly, we advise the A-HTRUST Independent Directors to recommend that the A-HTRUST Stapled Securityholders vote in favour of the A-HTRUST Scheme Resolution.”

RECOMMENDATION OF THE A-HTRUST DIRECTORS



**A-HTRUST
Directors**

“Having regard to the above and the rationale for the A-HTRUST Trust Deeds Amendments as set out in Paragraph 3 of the Letter to A-HTRUST Stapled Securityholders, the A-HTRUST Directors are of the opinion that the A-HTRUST Trust Deeds Amendments would be beneficial to, and be in the interests of A-HTRUST.

Accordingly, the A-HTRUST Directors recommend that A-HTRUST Stapled Securityholders **VOTE IN FAVOUR** of the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting.”

RECOMMENDATION OF THE A-HTRUST INDEPENDENT DIRECTORS



**A-HTRUST Independent
Directors**

“Further, the A-HTRUST Independent Directors, having considered carefully the terms of the A-HTRUST Scheme, the advice given by the A-HTRUST IFA in the A-HTRUST IFA Letter and having taken into account the various factors set out in the A-HTRUST IFA Letter (an extract of which is set out in Paragraph 18.2 above), including the A-HTRUST Auditors Opinion and the independent valuation undertaken by HVS for the properties owned by Ascott Reit as of 30 June 2019, recommend that A-HTRUST Stapled Securityholders **VOTE IN FAVOUR** of the A-HTRUST Scheme at the Scheme Meeting.”

IT IS IMPORTANT THAT YOU READ THIS EXTRACT TOGETHER WITH AND IN THE CONTEXT OF THE LETTER TO A-HTRUST STAPLED SECURITYHOLDERS AND THE A-HTRUST IFA LETTER, WHICH CAN BE FOUND ON PAGES 1 TO 99 AND APPENDIX A OF THIS SCHEME DOCUMENT RESPECTIVELY. YOU ARE ADVISED AGAINST RELYING SOLELY ON THIS EXTRACT, WHICH IS ONLY MEANT TO DRAW ATTENTION TO THE OPINION OF THE A-HTRUST IFA AND RECOMMENDATIONS OF THE A-HTRUST DIRECTORS AND THE A-HTRUST INDEPENDENT DIRECTORS.

WHAT IS REQUIRED FOR THE PROPOSED COMBINATION TO BE APPROVED?

1 | EXTRAORDINARY GENERAL MEETING (“EGM”)

The A-HTRUST Managers will first seek the approval of the A-HTRUST Stapled Securityholders for the A-HTRUST Trust Deeds Amendments at an EGM to be convened as follows:

Details of the EGM

21 October 2019

2.30 p.m.

Raffles City Convention Centre,

Canning Ballroom, Level 4,

2 Stamford Road,

Singapore 178882

The A-HTRUST Trust Deeds Amendments Resolution	Approval Threshold
The A-HTRUST Trust Deeds Amendments	At least 75% of the total number of votes cast for and against such resolution

2 | SCHEME MEETING

Contingent upon the approval of the A-HTRUST Trust Deeds Amendments Resolution, the A-HTRUST Managers will seek the approval of the A-HTRUST Stapled Securityholders for the A-HTRUST Scheme Resolution at the Scheme Meeting to be convened after the EGM as follows:

Details of the Scheme Meeting

21 October 2019

3.30 p.m. (or as soon thereafter following the conclusion of the EGM to be held, whichever is later)

Raffles City Convention Centre,

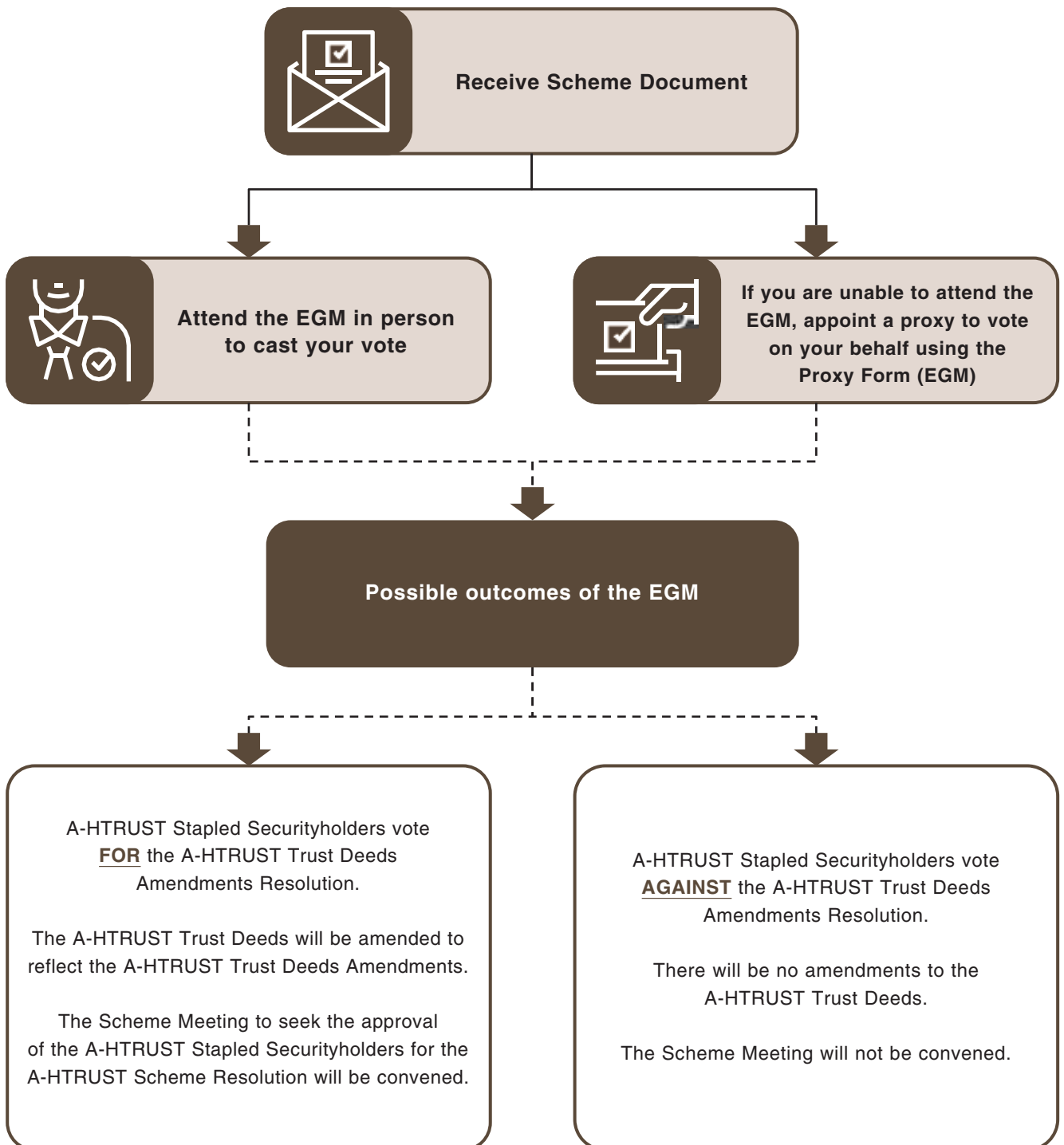
Canning Ballroom, Level 4,

2 Stamford Road,

Singapore 178882

The A-HTRUST Scheme Resolution	Approval Threshold
The Combination of Ascott Reit and A-HTRUST by way of a trust scheme of arrangement	<ul style="list-style-type: none">More than 50% of the number of A-HTRUST Stapled Securityholders present and voting either in person or by proxy; andAt least 75% in value of the A-HTRUST Stapled Securities held by the A-HTRUST Stapled Securityholders present and voting either in person or by proxy at the Scheme Meeting

The EGM and the Scheme Meeting are two different meetings to be held on the same day. Each meeting has a separate proxy form, with different instructions and different approval thresholds. If you wish to appoint a proxy for both the EGM and the Scheme Meeting, you are required to **submit both proxy forms**. It is important that you read the instructions for the two meetings carefully.



If you are unable to attend the EGM in person, you may appoint someone you know, or the Chairman of the EGM, to vote on your behalf by completing the Proxy Form (EGM).

1 Locate the Proxy Form (EGM)

The Proxy Form (EGM) is enclosed in this Scheme Document, and can also be obtained from:

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623

Operating hours
Monday to Friday, 8.30 a.m. to 5.30 p.m.


2 Complete the Proxy Form (EGM)

PROXY FORM FOR EXTRAORDINARY GENERAL MEETING

IMPORTANT

- A relevant intermediary may appoint more than two (2) proxies to attend, speak and vote at the Extraordinary General Meeting.
- This Proxy Form (EGM) is not valid for use by SRS Investors and shall be ineffective for all intents and purposes if used or purposed to be used by them.
- SRS Investors are requested to contact their respective SRS Agent Banks for any queries they may have with regard to their appointment as proxies.

PERSONAL DATA PRIVACY
By submitting an instrument appointing a proxy and/or representative, the A-HTRUST Stapled Securityholder accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 28 September 2019.


ASCENDAS HOSPITALITY TRUST
(a business trust constituted on 13 March 2012 under the laws of the Republic of Singapore)

Comprising

<p>ASCENDAS HOSPITALITY REAL ESTATE INVESTMENT TRUST <small>(a real estate investment trust constituted on 13 March 2012 under the laws of the Republic of Singapore)</small></p> <p>managed by Ascendas Hospitality Fund Management Pte. Ltd.</p>	<p>ASCENDAS HOSPITALITY BUSINESS TRUST <small>(a business trust constituted on 13 March 2012 under the laws of the Republic of Singapore)</small></p> <p>managed by Ascendas Hospitality Trust Management Pte. Ltd.</p>
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PROXY FORM
EXTRAORDINARY GENERAL MEETING OF ASCENDAS HOSPITALITY TRUST

A *I/We _____ (Name) _____ (NRIC/Passport/Company Registration No.) of _____ (Address) being a Stapled Securityholder/Stapled Securityholders of Ascendas Hospitality Trust ("A-HTRUST"), hereby appoint:

B

Name	Address	NRIC/Passport Number	Proportion of A-HTRUST Stapled Securityholdings	
			No. of A-HTRUST Stapled Securities	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of A-HTRUST Stapled Securityholdings	
			No. of A-HTRUST Stapled Securities	%

or, both of whom failing, the Chairman of the Extraordinary General Meeting as "my/our proxy/proxies to attend and to vote for "me/us on my/our behalf, at the Extraordinary General Meeting of A-HTRUST to be held at Raffles City Convention Centre, Canning Ballroom, Level 4, 2 Stamford Road, Singapore 178802 on 21 October 2019 at 2.30 p.m. and any adjournment thereof.

*I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the "proxy/proxies will vote or abstain from voting at his/her/hair discretion, as he/she/they may on any other matter arising at the Extraordinary General Meeting (or any adjournment thereof). If no person is named in the above boxes, the Chairman of the Extraordinary General Meeting shall be "my/our proxy/proxies to vote for or against the resolution to be proposed at the Extraordinary General Meeting, for "me/us and on "my/our behalf at the Extraordinary General Meeting and at any adjournment thereof.

If you wish to exercise all your votes "For" or "Against", please tick (x) within the box provided. Alternatively, please indicate the number of votes as appropriate.

C

Extraordinary Resolution	No. of Votes For	No. of Votes Against
To approve the A-HTRUST Trust Deeds Amendments		

*Delete accordingly

D Dated this _____ day of _____, 2019

Signature(s) of A-HTRUST Stapled Securityholder(s)/
Common Seal of Corporate A-HTRUST Stapled Securityholder

Total number of A-HTRUST Stapled Securities held

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM ON THE NEXT PAGE

A Fill in your name and particulars

*I/We _____ (Name) _____ (NRIC/Passport/Company Registration No.) of _____ (Address) being a Stapled Securityholder/Stapled Securityholders of Ascendas Hospitality Trust ("A-HTRUST"), hereby appoint:

B You may fill in the details of the appointee or leave this section blank. The Chairman of the EGM will be the appointee if this section is left blank.

Name	Address	NRIC/Passport Number	Proportion of A-HTRUST Stapled Securityholdings	
			No. of A-HTRUST Stapled Securities	%

C If you wish to exercise all your votes FOR or AGAINST, tick within the box provided. Alternatively, indicate the number of votes as appropriate.

Extraordinary Resolution	No. of Votes For	No. of Votes Against
To approve the A-HTRUST Trust Deeds Amendments		

D If you are an individual, you or your attorney must sign and indicate the date. If you are a corporation, the Proxy Form (EGM) must be executed under your common seal or signed by a duly authorised officer or attorney.

Dated this _____ day of _____, 2019

Signature(s) of A-HTRUST Stapled Securityholder(s)/
Common Seal of Corporate A-HTRUST Stapled Securityholder

Total number of A-HTRUST Stapled Securities held

3 Return the Completed Proxy Form (EGM)

Return the completed and signed Proxy Form (EGM) in the endorsed pre-addressed envelope so that it arrives at Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, **NO LATER THAN 2.30 p.m. on 19 October 2019**. The envelope is prepared for posting in Singapore only. Please affix sufficient postage if posting from outside of Singapore.

BUSINESS REPLY SERVICE
PERMIT NO. 09545

|||||

Ascendas Hospitality Fund Management Pte. Ltd.
(as manager of Ascendas Hospitality Real Estate Investment Trust)

&

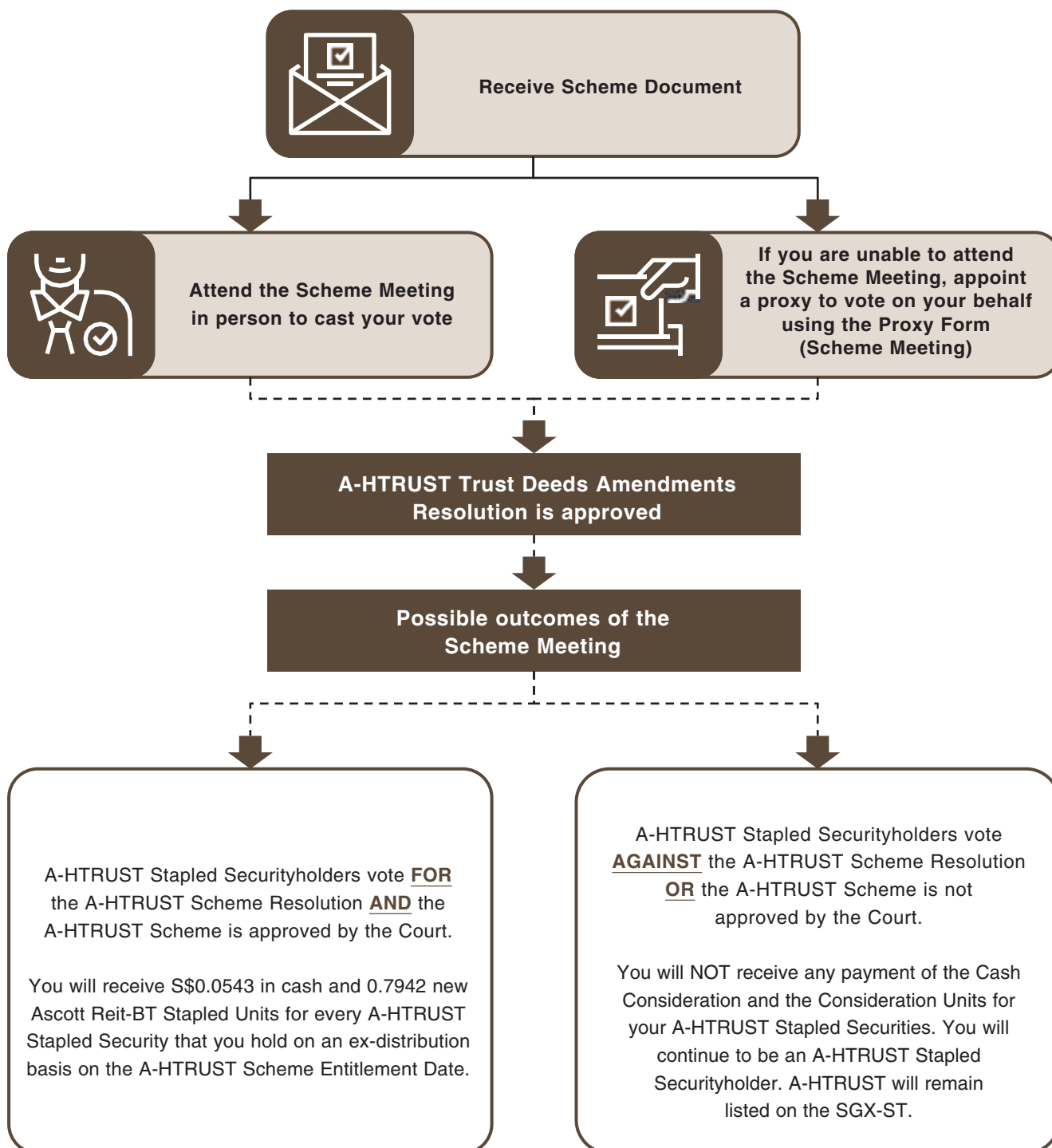
Ascendas Hospitality Trust Management Pte. Ltd.
(as trustee-manager of Ascendas Hospitality Business Trust)

c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Postage will be paid by addressee. For posting in Singapore only.

HOW DO I VOTE AT THE SCHEME MEETING?

The EGM and the Scheme Meeting are two different meetings to be held on the same day. Each meeting has a separate proxy form, with different instructions and different approval thresholds. If you wish to appoint a proxy for both the EGM and the Scheme Meeting, you are required to **submit both proxy forms**. It is important that you read the instructions for the two meetings carefully.



WHAT IF I AM UNABLE TO ATTEND THE SCHEME MEETING?

If you are unable to attend the Scheme Meeting in person, you may appoint someone you know, or the Chairman of the Scheme Meeting, to vote on your behalf by completing the Proxy Form (Scheme Meeting).

1 Locate the Proxy Form (Scheme Meeting)

The Proxy Form (Scheme Meeting) is enclosed in this Scheme Document, and can also be obtained from:

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623

Operating hours
Monday to Friday, 8.30 a.m. to 5.30 p.m.

2 Complete the Proxy Form (Scheme Meeting)

PROXY FORM FOR SCHEME MEETING

A "I/We _____ (Name) _____ (NRIC/Passport/Company Registration No.) of _____ (Address) being a Stapled Securityholder/Stapled Securityholders of Ascendas Hospitality Trust ("A-HTRUST"), hereby appoint:

B

Name	Address	NRIC/Passport Number

or failing "him/her, the Chairman of the Scheme Meeting as "my/our proxy to attend, speak and to vote for "me/ us and on "my/our behalf at the Scheme Meeting to be held at Raffles City Convention Centre, Canning Ballroom, Level 4, 2 Stamford Road, Singapore 178882 on 21 October 2019 at 3.30 p.m. (or as soon thereafter following the conclusion of the extraordinary general meeting of the A-HTRUST Stapled Securityholders to be held at 2.30 p.m. on the same day and at the same venue, whichever is later) and at any adjournment thereof.

"I/We direct "my/our proxy to vote for or against the A-HTRUST Scheme to be proposed at the Scheme Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy will vote or abstain from voting at "his/her discretion, as "he/she will on any other matter arising at the Scheme Meeting (or any adjournment thereof). If no person is named in the above boxes, the Chairman of the Scheme Meeting shall be "my/our proxy to vote, for or against the A-HTRUST Scheme to be proposed at the Scheme Meeting, for "me/us and on "my/our behalf at the Scheme Meeting and at any adjournment thereof.

If you wish to vote "FOR" the A-HTRUST Scheme to be proposed at the Scheme Meeting, please indicate with a tick (✓) in the box marked "FOR" as set out below. If you wish to vote "AGAINST" the Scheme to be proposed at the Scheme Meeting, please indicate with a tick (✓) in box marked "AGAINST" as set out below. **DO NOT TICK BOTH BOXES.**

C

Resolution	For	Against
To approve the proposed A-HTRUST Scheme		

*Delete accordingly

D

Dated this _____ day of _____, 2019

Total number of A-HTRUST Stapled Securities held

Signature(s) of A-HTRUST Stapled Securityholder(s)/
Common Seal of Corporate A-HTRUST Stapled Securityholder

IMPORTANT: PLEASE READ NOTES ON NEXT PAGE

A Fill in your name and particulars

"I/We _____ (Name) _____ (NRIC/Passport/Company Registration No.) of _____ (Address) being a Stapled Securityholder/Stapled Securityholders of Ascendas Hospitality Trust ("A-HTRUST"), hereby appoint:

B You may fill in the details of the appointee or leave this section blank. The Chairman of the Scheme Meeting will be the appointee if this section is left blank.

Name	Address	NRIC/Passport Number

C Indicate your vote in the box labeled FOR or AGAINST.

Resolution	For	Against
To approve the proposed A-HTRUST Scheme		

D If you are an individual, you or your attorney must sign and indicate the date. If you are a corporation, the Proxy Form (Scheme Meeting) must be executed under your common seal or signed by a duly authorised officer or attorney.



Dated this _____ day of _____, 2019

Total number of A-HTRUST Stapled Securities held

Signature(s) of A-HTRUST Stapled Securityholder(s)/
Common Seal of Corporate A-HTRUST Stapled Securityholder

3 Return the Completed Proxy Form (Scheme Meeting)

Return the completed and signed Proxy Form (Scheme Meeting) in the endorsed pre-addressed envelope so that it arrives at Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, **NO LATER THAN 3.30 p.m. on 19 October 2019**. The envelope is prepared for posting in Singapore only. Please affix sufficient postage if posting from outside of Singapore.

<p>BUSINESS REPLY SERVICE PERMIT NO. 09545</p>  <p>Ascendas Hospitality Fund Management Pte. Ltd. (as manager of Ascendas Hospitality Real Estate Investment Trust) & Ascendas Hospitality Trust Management Pte. Ltd. (as trustee-manager of Ascendas Hospitality Business Trust) c/o Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623</p>	<p>Postage will be paid by addressee. For posting in Singapore only.</p> 
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How do I find out the number of A-HTRUST Stapled Securities I own?

A) You can check your A-HTRUST Stapled Securityholding balance with CDP by contacting them at:

The Central Depository

9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588

Tel: +65 6535 7511, Fax: +65 6535 0775

Opening hours

Monday to Friday: 8.30 a.m. to 5.00 p.m. | Saturday: 8.30 a.m. to 12.00 p.m. | Closed on Sundays & Public Holidays

- B) If you own A-HTRUST Stapled Securities through a bank, broker or any other intermediaries, you can also check by contacting them directly.
- C) If you are a SRS Investor, please consult your SRS Agent Bank (namely DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited) for further information.

Important dates and times

	EGM	SCHEME MEETING
Last date and time for Proxy Form to be received	19 October 2019 2.30 p.m.	19 October 2019 3.30 p.m.
Date and time	21 October 2019 2.30 p.m.	21 October 2019 3.30 p.m. or as soon thereafter following the conclusion or adjournment of the EGM to be held, whichever is later
Venue	Raffles City Convention Centre, Canning Ballroom, Level 4 2 Stamford Road, Singapore 178882	
Expected Effective Date	19 December 2019	
Expected Settlement Date	31 December 2019	
Expected date for the delisting of the A-HTRUST Stapled Securities	3 January 2020	

The important dates, times and place relating to the EGM and Scheme Meeting and the expected timetable are set out on page 23 of this Scheme Document. Your attention is also drawn to the notes under the expected timetable.

Who to contact if you need help

Sole Financial Adviser to the A-HTRUST Managers

Morgan Stanley Asia (Singapore) Pte.

Investment Banking Division

Telephone: +65 6834 6676

Investor Contact

Ascendas Hospitality Fund Management Pte. Ltd.

Ascendas Hospitality Trust Management Pte. Ltd.

Mr Chee Kum Tin

Senior Manager Capital Markets & Investor Relations

Telephone: +65 6508 4927

Email: chee.kumtin@capitaland.com

The information in this section should be read with the full information contained in the rest of this Scheme Document. If there should be any inconsistency or conflict between this section and this Scheme Document, this Scheme Document shall prevail. Nothing in this section is intended to be, or shall be taken as, advice, a recommendation or a solicitation to the A-HTRUST Stapled Securityholders or any other party.

A-HTRUST Stapled Securityholders are advised to be cautious when dealing in their A-HTRUST Stapled Securities and not to take any action in relation to their A-HTRUST Stapled Securities which may not prove to be in their best interests.

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DEFINITIONS

In this Scheme Document, the following definitions shall apply throughout unless the context otherwise requires:

<u>“1Q2019”</u>	:	The three (3) months ended 30 June 2019
<u>“805 Audit”</u>	:	The audit of the carrying value of the serviced apartment properties held by Ascott Reit and its subsidiaries as at 31 December 2018
<u>“A-HTRUST”</u>	:	Ascendas Hospitality Trust, which comprises A-HTRUST REIT and A-HTRUST BT
<u>“A-HTRUST Auditors”</u>	:	Ernst & Young LLP
<u>“A-HTRUST Auditors Opinion”</u>	:	Audit opinion by the A-HTRUST Auditors setting out its opinion as to whether the carrying value of Ascott Reit’s “serviced residence properties”, as reflected in the Ascott Reit FY2018 Financial Statements, have been prepared, in all material respects, in accordance with the relevant accounting policies of the Ascott Reit Group, consistently applied
<u>“A-HTRUST BT”</u>	:	Ascendas Hospitality Business Trust
<u>“A-HTRUST BT Trust Deed”</u>	:	Deed of Trust dated 13 March 2012 constituting A-HTRUST BT entered into by the A-HTRUST BT Trustee-Manager, as amended and restated by the First Amending and Restating Deed dated 9 July 2012 and the Second Amending and Restating Deed dated 23 July 2019, as may be amended, supplemented or varied from time to time
<u>“A-HTRUST BT Trustee-Manager”</u>	:	Ascendas Hospitality Trust Management Pte. Ltd., as trustee-manager of the A-HTRUST BT
<u>“A-HTRUST BT Unit”</u>	:	An issued and outstanding unit in A-HTRUST BT
<u>“A-HTRUST Competing Offer”</u>	:	Any expression of interest, offer or proposal by any person, acting together with its concert parties, other than the Ascott Reit Trustee or the Ascott Reit Manager involving: (a) a sale, conveyance, transfer, assumption or other disposal of any direct or indirect interest in some or all of the A-HTRUST Stapled Securities exceeding 5% of all the A-HTRUST Stapled Securities, whether in a single transaction or series of related transactions;

DEFINITIONS

- (b) an allotment or issuance of the A-HTRUST Stapled Securities or securities in any A-HTRUST Group Entity (or A-HTRUST Convertible Securities) in each case exceeding 5% of all the A-HTRUST Stapled Securities or such securities, as the case may be, immediately after such allotment or issuance, whether in a single transaction or series of related transactions;
- (c) a Material Disposal of any real property, assets or securities in any A-HTRUST Group Entity (save for the A-HTRUST Stapled Securities);
- (d) an offer (whether partial or otherwise) for the A-HTRUST Stapled Securities;
- (e) a scheme of arrangement involving A-HTRUST or any A-HTRUST Group Entity or the merger of A-HTRUST or any A-HTRUST Group Entity with any other entity (whether by way of joint venture, reverse takeover bid, dual listed company structure, stapling or otherwise) provided that, in the case of any A-HTRUST Group Entity (other than A-HTRUST), such scheme of arrangement or merger is material to the A-HTRUST Group (taken as a whole);
- (f) any agreement or other arrangement intended to achieve or having an effect similar to any of paragraphs (a) to (e); or
- (g) a transaction or series of related transactions which would, or is reasonably likely to, preclude, restrict or frustrate, or delay or impede, the Combination, the Ascott Reit Acquisition or the A-HTRUST Scheme

<u>“A-HTRUST Convertible Securities”</u>	:	Convertible securities, warrants, options and derivatives in respect of the A-HTRUST Stapled Securities or other securities (if any) which carry voting rights in A-HTRUST
<u>“A-HTRUST Deeds of Undertaking”</u>	:	The irrevocable undertakings provided by AHDF and GT to, <i>inter alia</i> , vote their A-HTRUST Stapled Securities in favour of the A-HTRUST Trust Deeds Amendments Resolution and the A-HTRUST Scheme Resolution
<u>“A-HTRUST Directors”</u>	:	The directors for the time being of each of the A-HTRUST Managers
<u>“A-HTRUST Financial Adviser”</u>	:	Morgan Stanley Asia (Singapore) Pte.

DEFINITIONS

- “A-HTRUST FY2018/2019 Financial Statements”** : The audited consolidated balance sheet of the A-HTRUST Group as at 31 March 2019, the consolidated profit and loss account and the consolidated cash flow statement of the A-HTRUST Group for the financial year ended 31 March 2019, and the notes thereto
- “A-HTRUST Group”** : A-HTRUST REIT and A-HTRUST BT and their respective subsidiaries and sub-trusts, each entity in the A-HTRUST Group shall be referred to as an **“A-HTRUST Group Entity”** and **“A-HTRUST REIT Group”**, **“A-HTRUST REIT Group Entity”**, **“A-HTRUST BT Group”** and **“A-HTRUST BT Group Entity”** shall be construed accordingly
- “A-HTRUST IFA”** : Deloitte & Touche Corporate Finance Pte Ltd
- “A-HTRUST IFA Letter”** : The letter from the A-HTRUST IFA containing the advice of the A-HTRUST IFA in relation to the A-HTRUST Scheme as set out in Appendix A to this Scheme Document
- “A-HTRUST Independent Directors”** : The A-HTRUST Directors who are considered independent for the purposes of the A-HTRUST Scheme, namely all of the A-HTRUST Directors except for the Conflicted Directors
- “A-HTRUST Managers”** : The A-HTRUST REIT Manager and the A-HTRUST BT Trustee-Manager
- “A-HTRUST Material Adverse Effect”** : Any one (1) or more fact, matter, event, circumstance, condition, effect, occurrence or change which, whether individually or in the aggregate, has or have the effect of causing a diminution in the consolidated net tangible assets (excluding funds represented by non-controlling interests) of the A-HTRUST Group by more than 10% as compared with the consolidated net tangible assets (excluding funds represented by non-controlling interests) of the A-HTRUST Group of S\$1,153.6 million as at 31 March 2019 as stated in the A-HTRUST FY2018/2019 Financial Statements. For the avoidance of doubt, none of the distributions which have been paid to the A-HTRUST Stapled Securityholders prior to the Joint Announcement Date or the A-HTRUST Permitted Distributions shall be taken into account in determining if there has been an A-HTRUST Material Adverse Effect
- “A-HTRUST Material Covenants”** : The undertakings given by the A-HTRUST REIT Trustee and the A-HTRUST Managers in Clauses 6.2, 6.4, 8.2, 9 and 10 of the Implementation Agreement for the purposes of the implementation of the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition and the A-HTRUST Scheme

DEFINITIONS

- “A-HTRUST Permitted Distributions”** : (a) The distributions which have been declared, or which any A-HTRUST Manager is under a contractual obligation to make or pay but has not made or paid (in each case, where such declaration or obligation has been disclosed to the Ascott Reit Trustee and the Ascott Reit Manager), prior to the Joint Announcement Date; or
- (b) the distributions declared, paid or made or to be declared, paid or made in the ordinary course of business and to the extent consistent with past practice by any A-HTRUST Manager to the A-HTRUST Stapled Securityholders in respect of the period from 1 April 2019 up to (and including) the A-HTRUST Scheme Implementation Date (including any clean-up distribution to the A-HTRUST Stapled Securityholders in respect of the period from the day following the latest completed financial half year of A-HTRUST preceding the Effective Date, up to (and including) the A-HTRUST Scheme Implementation Date),
- provided that, for this purpose, the **“A-HTRUST Permitted Distributions”** shall include any and all distributions declared, paid or made or to be declared, paid or made in respect of any net gains (after taking into consideration applicable taxes and transaction fees, costs and expenses) arising from any divestments by any A-HTRUST Group Entity effected or completed on or after 1 April 2019, up to (and including) the A-HTRUST Scheme Implementation Date
- “A-HTRUST Prescribed Occurrence”** : Any of the events or matters set out in Paragraph 2.10(b) of the Letter to A-HTRUST Stapled Securityholders
- “A-HTRUST REIT”** : Ascendas Hospitality Real Estate Investment Trust
- “A-HTRUST REIT Manager”** : Ascendas Hospitality Fund Management Pte. Ltd., as manager of A-HTRUST REIT
- “A-HTRUST REIT Trust Deed”** : The Deed of Trust dated 13 March 2012 constituting A-HTRUST REIT, as amended by a supplemental deed of appointment and retirement of trustee dated 9 July 2012, as amended and restated by the First Amending and Restating Deed dated 9 July 2012 and Second Amending and Restating Deed dated 23 July 2019, and supplemented by a First Supplemental Deed dated 27 June 2016, as may be amended, supplemented or varied from time to time

DEFINITIONS

<u>“A-HTRUST REIT Trustee”</u>	:	Perpetual (Asia) Limited, in its capacity as trustee of A-HTRUST REIT
<u>“A-HTRUST REIT Unit”</u>	:	An issued and outstanding unit in A-HTRUST REIT
<u>“A-HTRUST Scheme”</u>	:	Means the trust scheme of arrangement by which: (a) all of the A-HTRUST REIT Units, after they have been Unstapled from the A-HTRUST BT Units, will be transferred to the Ascott Reit Trustee; and (b) all of the A-HTRUST BT Units, after they have been Unstapled from the A-HTRUST REIT Units, will be transferred to the Ascott BT Trustee-Manager, substantially on the terms and conditions set out in the Implementation Agreement and includes any extended, increased or revised proposal by the Ascott Reit Trustee and the Ascott Reit Manager for the acquisition of the A-HTRUST Stapled Securities
<u>“A-HTRUST Scheme Court Order”</u>	:	The order of the Court sanctioning the A-HTRUST Scheme under Order 80 of the Rules of Court
<u>“A-HTRUST Scheme Entitlement Date”</u>	:	The date and time to be announced (before the Effective Date) by the A-HTRUST Managers on which the transfer books and the Register of A-HTRUST Stapled Securityholders will be closed in order to determine the entitlements of the A-HTRUST Stapled Securityholders in respect of the A-HTRUST Scheme
<u>“A-HTRUST Scheme Implementation Date”</u>	:	The date falling not later than seven (7) Business Days after the Effective Date
<u>“A-HTRUST Scheme Resolution”</u>	:	The resolution of the A-HTRUST Stapled Securityholders to approve the A-HTRUST Scheme
<u>“A-HTRUST Scheme Unit”</u>	:	An issued and outstanding A-HTRUST Stapled Security as at the A-HTRUST Scheme Entitlement Date. For the avoidance of doubt, on and with effect from the time at which the A-HTRUST REIT Units and the A-HTRUST BT Units have been Unstapled from the other, references to the <u>“A-HTRUST Scheme Unit”</u> shall mean the A-HTRUST Stapled Securities on an Unstapled basis

DEFINITIONS

- “A-HTRUST Scheme Unitholder”** : Each person who is registered on the Register of A-HTRUST Stapled Securityholders as at the A-HTRUST Scheme Entitlement Date. For the avoidance of doubt, on and with effect from the time at which the A-HTRUST REIT Units and the A-HTRUST BT Units have been Unstapled from the other, references to the **“A-HTRUST Scheme Unitholder”** shall mean A-HTRUST Stapled Securityholders of such Unstapled A-HTRUST Stapled Securities
- “A-HTRUST Stapled Securities”** : (a) Prior to the time at which the A-HTRUST Unstapling is implemented on the A-HTRUST Scheme Implementation Date, the stapled A-HTRUST REIT Units and A-HTRUST BT Units in A-HTRUST; and
- (b) on and with effect from the time at which the A-HTRUST Unstapling is implemented on the A-HTRUST Scheme Implementation Date, the A-HTRUST REIT Units and the A-HTRUST BT Units, each as Unstapled from the other, and
- “A-HTRUST Stapled Security”** shall be construed accordingly
- “A-HTRUST Stapled Securityholders”** : The holders of the A-HTRUST Stapled Securities from time to time, and each an **“A-HTRUST Stapled Securityholder”**
- “A-HTRUST Stapling Deed”** : The Stapling Deed dated 13 March 2012 in relation to A-HTRUST, as amended and restated by the First Amending and Restating Deed dated 23 July 2019, as may be amended, supplemented or varied from time to time
- “A-HTRUST Superior Competing Offer”** : A *bona fide* A-HTRUST Competing Offer that the A-HTRUST Independent Directors, acting in good faith and after taking advice from their legal and financial advisers, determine is: (a) of a higher financial value and more favourable to the A-HTRUST Stapled Securityholders than the A-HTRUST Scheme; and (b) reasonably capable of being completed, including its conditions, in each case, taking into account all aspects of such A-HTRUST Competing Offer

DEFINITIONS

“A-HTRUST Termination Event”

: Either of:

(a) with respect to the A-HTRUST Scheme:

- (i) the Scheme Document does not state that at least a majority of the A-HTRUST Independent Directors recommend that the A-HTRUST Stapled Securityholders approve the A-HTRUST Scheme;
- (ii) a majority or more of the A-HTRUST Independent Directors withdraw or adversely change or adversely qualify their recommendation that the A-HTRUST Stapled Securityholders approve the A-HTRUST Scheme; or
- (iii) any A-HTRUST Independent Director makes any public statement to the effect, or takes any other action that suggests, that the A-HTRUST Scheme is no longer considered, recommended or supported by at least a majority of the A-HTRUST Independent Directors (unless any such statement is publicly retracted or clarified, in each case, in writing and to the reasonable satisfaction of the Ascott Reit Trustee and the Ascott Reit Manager, within one (1) Business Day after being given notice by the Ascott Reit Trustee or the Ascott Reit Manager to do so),

in each case, unless the A-HTRUST IFA advises the A-HTRUST Independent Directors to recommend that the A-HTRUST Stapled Securityholders do not vote in favour of the A-HTRUST Scheme; and

(b) with respect to any A-HTRUST Superior Competing Offer:

- (i) any announcement, notice, release, circular, scheme document, offer information statement or any other information released by any A-HTRUST Manager to A-HTRUST Stapled Securityholders which states that at least a majority of the A-HTRUST Directors recommend that the A-HTRUST Stapled Securityholders approve such A-HTRUST Superior Competing Offer;

DEFINITIONS

- (ii) any one (1) or more A-HTRUST Director makes any public statement to the effect, or takes any other action that suggests, that at least a majority of the A-HTRUST Directors recommend that the A-HTRUST Stapled Securityholders approve such A-HTRUST Superior Competing Offer (unless any such statement is publicly retracted or clarified, in each case, in writing and to the reasonable satisfaction of the Ascott Reit Trustee and the Ascott Reit Manager, within one (1) Business Day after being given notice by the Ascott Reit Trustee or the Ascott Reit Manager to do so); or
- (iii) the A-HTRUST REIT Trustee or any A-HTRUST Manager enters into an agreement with any Person (other than the Ascott Reit Trustee or the Ascott Reit Manager) to implement, to co-operate or to take any step with respect to such A-HTRUST Superior Competing Offer

<u>“A-HTRUST Trust Deeds”</u>	:	The A-HTRUST REIT Trust Deed, the A-HTRUST BT Trust Deed and the A-HTRUST Stapling Deed
<u>“A-HTRUST Trust Deeds Amendments”</u>	:	The amendments to the A-HTRUST Trust Deeds to include provisions that will facilitate the implementation of the A-HTRUST Scheme as set out in Appendix D to this Scheme Document
<u>“A-HTRUST Trust Deeds Amendments Resolution”</u>	:	The Extraordinary Resolution to approve the A-HTRUST Trust Deeds Amendments
<u>“A-HTRUST Unstapling”</u>	:	The unstapling of each A-HTRUST Stapled Security into one (1) A-HTRUST REIT Unit and one (1) A-HTRUST BT Unit in accordance with the A-HTRUST Stapling Deed
<u>“A-HTRUST Warranties”</u>	:	The customary warranties given by the A-HTRUST REIT Trustee and the A-HTRUST Managers in connection with the Ascott Reit Scheme set out in Clauses 10.1, 12.2, 12.4 and Schedule 3 of the Implementation Agreement
<u>“AHDF”</u>	:	AHDF Pte Ltd
<u>“ALI”</u>	:	Ascendas Land International Pte Ltd
<u>“ALI Deed of Undertaking”</u>	:	The irrevocable undertaking by ALI to vote, or procure the voting of its 319,760,218 A-HTRUST Stapled Securities in favour of the A-HTRUST Trust Deeds Amendments
<u>“Ascott BT”</u>	:	Ascott Business Trust

DEFINITIONS

<u>“Ascott BT Group”</u>	:	Ascott BT and its subsidiaries
<u>“Ascott BT Trust Deed”</u>	:	The trust deed constituting Ascott BT dated 9 September 2019 (as amended)
<u>“Ascott BT Trustee-Manager”</u>	:	Ascott Business Trust Management Pte. Ltd., in its capacity as the trustee-manager of Ascott BT
<u>“Ascott BT Unit”</u>	:	An issued and outstanding unit in Ascott BT
<u>“Ascott Reit”</u>	:	Ascott Residence Trust, which, following the completion of the Combination and the A-HTRUST Scheme, will be renamed “Ascott Real Estate Investment Trust”
<u>“Ascott Reit Acquisition”</u>	:	The acquisition by the Ascott Reit Trustee of all the A-HTRUST REIT Units, and the acquisition by the Ascott BT Trustee-Manager of all the A-HTRUST BT Units, for the Scheme Consideration, in accordance with the terms of the Implementation Agreement
<u>“Ascott Reit Audit Committee”</u>	:	The audit committee of Ascott Reit comprising Mr. Sim Juat Quee Michael Gabriel, Mr. Zulkifli Bin Baharudin, Ms. Elaine Carole Young and Mr. Lim Cho Pin Andrew Geoffrey
<u>“Ascott Reit Auditors”</u>	:	KPMG LLP
<u>“Ascott Reit Composite Document”</u>	:	The document dated 26 September 2019 issued by the Ascott Reit Manager on behalf of Ascott, convening the Ascott Reit EGM and the Ascott Reit Scheme Meeting and setting out details of, amongst other things: (a) the Ascott Reit Scheme; and (b) the Ascott Reit Acquisition, in each case, on the terms and conditions agreed by the Parties, and the accompanying notice of meeting and proxy form, in such form and substance as may be agreed by the Parties
<u>“Ascott Reit Convertible Securities”</u>	:	Convertible securities, warrants, options and derivatives in respect of the Ascott Reit Units or other securities (if any) which carry voting rights in Ascott Reit
<u>“Ascott Reit Directors”</u>	:	The directors for the time being of the Ascott Reit Manager
<u>“Ascott Reit EGM”</u>	:	The meeting of the Ascott Reit Unitholders to be convened to approve the Ascott Reit Trust Deed Amendment Resolutions and Ascott Reit Acquisition (and any adjournment thereof)

DEFINITIONS

<u>“Ascott Reit Financial Adviser”</u>	:	Citigroup Global Markets Singapore Pte. Ltd., the financial adviser of the Ascott Reit Manager in respect of the Combination
<u>“Ascott Reit FY2018 Financial Statements”</u>	:	The audited consolidated balance sheet of the Ascott Reit Group as at 31 December 2018, the consolidated profit and loss account and the consolidated cash flow statement of the Ascott Reit Group for the financial year ended 31 December 2018, and the notes thereto
<u>“Ascott Reit Group”</u>	:	Ascott Reit and its subsidiaries, and each member of the Ascott Reit Group shall be referred to as an <u>“Ascott Reit Group Entity”</u>
<u>“Ascott Reit IFA”</u>	:	Australia and New Zealand Banking Group Limited, Singapore Branch
<u>“Ascott Reit Independent Directors”</u>	:	The Ascott Reit Directors who are considered independent for the purposes of the Ascott Reit Acquisition, namely Mr. Tan Beng Hai, Bob, Mr. Zulkifli Bin Baharudin, Mr. Sim Juat Quee Michael Gabriel and Ms. Elaine Carole Young
<u>“Ascott Reit Manager”</u>	:	Ascott Residence Trust Management Limited, as manager of Ascott Reit
<u>“Ascott Reit Manager Concert Party Group”</u>	:	Ascott Reit Manager and parties acting in concert with the Ascott Reit Manager in connection with the Combination
<u>“Ascott Reit Material Adverse Effect”</u>	:	Any one (1) or more fact, matter, event, circumstance, condition, effect, occurrence or change which, whether individually or in the aggregate, has or have the effect of causing a diminution in the consolidated net tangible assets (excluding funds represented by perpetual securities and non-controlling interests) of the Ascott Reit Group by more than 10% as compared with the consolidated net tangible assets (excluding funds represented by perpetual securities and non-controlling interests) of the Ascott Reit Group of S\$2,644.1 million as at 31 December 2018 as stated in the Ascott Reit FY2018 Financial Statements. For the avoidance of doubt, none of the distributions which have been paid to the Ascott Reit Unitholders prior to the Joint Announcement Date or the Ascott Reit Permitted Distributions shall be taken into account in determining if there has been an Ascott Reit Material Adverse Effect

DEFINITIONS

- “Ascott Reit Material Covenants”** : The undertakings given by the Ascott Reit Trustee and the Ascott Reit Manager in Clauses 6.1, 6.3, 7.2 and 9 of the Implementation Agreement for the purposes of the implementation of the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition and the A-HTRUST Scheme
- “Ascott Reit Permitted Distributions”** : (a) The distributions which have been declared, or which the Ascott Reit Manager is under a contractual obligation to make or pay but has not made or paid (in each case, where such declaration or obligation has been disclosed to the A-HTRUST REIT Trustee and the A-HTRUST Managers), prior to the Joint Announcement Date; or
- (b) the distributions declared, paid or made or to be declared, paid or made in the ordinary course of business and to the extent consistent with past practice by the Ascott Reit Manager to the Ascott Reit Unitholders in respect of the period from 1 January 2019 up to (and including) the A-HTRUST Scheme Implementation Date (including any clean-up distribution to the Ascott Reit Unitholders in respect of the period from the day following the latest completed financial half year of Ascott Reit preceding the Effective Date, up to (and including) the A-HTRUST Scheme Implementation Date),
- provided that for this purpose, the Ascott Reit Permitted Distributions shall include any and all distributions declared, paid or made or to be declared, paid or made in respect of any net gains (after taking into consideration applicable taxes and transaction fees, costs and expenses) arising from any divestments by any Ascott Reit Group Entity effected or completed on or after 1 January 2019, up to (and including) the A-HTRUST Scheme Implementation Date
- “Ascott Reit Prescribed Occurrence”** : Any of the events or matters set out in Paragraph 2.10(b) of the Letter to A-HTRUST Stapled Securityholders
- “Ascott Reit Properties”** : For the purposes only of the A-HTRUST Auditors Opinion, the properties listed on pages 105 to 108 of the annual report of Ascott Reit for the financial year ended 31 December 2018 (but excluding Ascott Raffles Place Singapore) and **“Ascott Reit Property”** means any one (1) of them

DEFINITIONS

- “Ascott Reit Scheme”** : The trust scheme of arrangement by which:
- (a) all of the Ascott BT Units will be distributed *in specie* to the Ascott Reit Scheme Unitholders; and
 - (b) each Ascott BT Unit will be stapled to one (1) Ascott Reit Scheme Unit,
- so as to form one (1) Ascott Reit-BT Stapled Unit in accordance with the Ascott Reit-BT Stapling Deed
- “Ascott Reit Scheme Entitlement Date”** : The date on which the register of Ascott Reit Unitholders will be closed in order to determine the entitlements of the Ascott Reit Unitholders in respect of the Ascott Reit Scheme
- “Ascott Reit Scheme Meeting”** : The meeting of the Ascott Reit Unitholders to be convened to approve the Ascott Reit Scheme Resolution
- “Ascott Reit Scheme Resolution”** : The resolution of the Ascott Reit Unitholders to approve the Ascott Reit Scheme
- “Ascott Reit Scheme Unit”** : An issued and outstanding Ascott Reit Unit as at the Ascott Reit Scheme Entitlement Date
- “Ascott Reit Scheme Unitholder”** : Each person who is registered on the register of Ascott Reit Unitholders as at the Ascott Reit Scheme Entitlement Date
- “Ascott Reit Termination Event”** : Means any one (1) of the following events, with respect to the Ascott Reit Acquisition, where:
- (a) the Ascott Reit Composite Document does not state that at least a majority of the Ascott Reit Independent Directors recommend that the Ascott Reit Unitholders approve the Ascott Reit Acquisition;
 - (b) a majority or more of the Ascott Reit Independent Directors withdraw or adversely change or adversely qualify their recommendation that the Ascott Reit Unitholders approve the Ascott Reit Acquisition; or

DEFINITIONS

- (c) any Ascott Reit Independent Director makes any public statement to the effect, or takes any other action that suggests, that the Ascott Reit Acquisition is no longer considered, recommended or supported by at least a majority of the Ascott Reit Independent Directors (unless any such statement is publicly retracted or clarified, in each case, in writing and to the reasonable satisfaction of the A-HTRUST REIT Trustee and the A-HTRUST Managers, within one (1) Business Day after being given notice by the A-HTRUST REIT Trustee or any A-HTRUST Manager to do so),

in each case, unless the Ascott Reit IFA advises the Ascott Reit Independent Directors to recommend that the Ascott Reit Unitholders do not vote in favour of the Ascott Reit Acquisition

- “Ascott Reit Trust Deed”** : The Deed of Trust constituting Ascott Reit entered into between the Ascott Reit Trustee and the Ascott Reit Manager dated 19 January 2006, as supplemented by a First Supplemental Deed dated 22 March 2007, a Second Supplemental Deed dated 9 September 2009, a Third Supplemental Deed dated 16 September 2010, a Fourth Supplemental Deed dated 16 October 2014, a Fifth Supplemental Deed dated 14 April 2016, a Sixth Supplemental Deed dated 4 May 2018, a Seventh Supplemental Deed dated 28 January 2019 and an Eighth Supplemental Deed dated 18 June 2019, as may be amended, supplemented or varied from time to time
- “Ascott Reit Trust Deed Amendment Resolutions”** : The extraordinary resolutions of the Ascott Reit Unitholders to approve the Ascott Reit Trust Deed Amendments
- “Ascott Reit Trust Deed Amendments”** : The proposed amendments to the Ascott Reit Trust Deed to facilitate the implementation of the Ascott Reit Scheme
- “Ascott Reit Trustee”** : DBS Trustee Limited, in its capacity as trustee of Ascott Reit
- “Ascott Reit Unit”** : An issued and outstanding unit in Ascott Reit
- “Ascott Reit Unitholders”** : The holders of Ascott Reit Units from time to time

DEFINITIONS

<u>“Ascott Reit Unitholders’ Approval”</u>	:	The approval of the Ascott Reit Unitholders for: (a) the Ascott Reit Trust Deed Amendments; (b) the Ascott Reit Scheme; (c) the Ascott Reit Acquisition; and (d) the issuance of new Ascott Reit-BT Stapled Units to the A-HTRUST Scheme Unitholders as part of the consideration pursuant to the Combination
<u>“Ascott Reit Warranties”</u>	:	The customary warranties given by the Ascott Reit Trustee and the Ascott Reit Manager in connection with the Ascott Reit Scheme set out in Clauses 12.1, 12.3 and Schedule 2 of the Implementation Agreement
<u>“Ascott Reit-BT Managers”</u>	:	The Ascott Reit Manager and the Ascott BT Trustee-Manager
<u>“Ascott Reit-BT Stapled Unit”</u>	:	The stapled Ascott Reit Units and Ascott BT Units
<u>“Ascott Reit-BT Stapled Unitholders”</u>	:	Holders of Ascott Reit-BT Stapled Units
<u>“Ascott Reit-BT Stapling Deed”</u>	:	The stapling deed dated 9 September 2019 (as amended)
<u>“Break Fee”</u>	:	S\$12,350,000, being an amount equal to 1% of the aggregate Scheme Consideration (rounded down to the nearest S\$10,000)
<u>“Business Day”</u>	:	A day (other than Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore for the transaction of normal banking business
<u>“BTA”</u>	:	Business Trusts Act (Chapter 31A of Singapore)
<u>“CapitaLand”</u>	:	CapitaLand Limited (Company Registration No. 198900036N), whose registered office is at 168 Robinson Road, #30-01, Capital Tower, Singapore 068912
<u>“CapitaLand Entities”</u>	:	Collectively, (a) TAL; (b) Somerset Capital Pte Ltd; (c) Ascott Reit Manager; and (d) ALI
<u>“CapitaLand Group”</u>	:	CapitaLand and its subsidiaries and sub-trusts

DEFINITIONS

<u>“Cash Consideration”</u>	:	S\$0.0543 in cash with respect to each A-HTRUST Scheme Unit
<u>“CDP”</u>	:	The Central Depository (Pte) Limited
<u>“CIS”</u>	:	Collective Investment Schemes, as defined under Section 2(1) of the SFA
<u>“CLA”</u>	:	CLA Real Estate Holdings Pte. Ltd. (formerly known as Ascendas-Singbridge Pte. Ltd.)
<u>“Code”</u>	:	The Singapore Code on Take-overs and Mergers
<u>“Combination”</u>	:	The combination of Ascott Reit and A-HTRUST pursuant to the Implementation Agreement, the Ascott Reit Scheme, the Ascott Reit Acquisition and the A-HTRUST Scheme
<u>“Combination Conditions”</u>	:	The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) by the Long-Stop Date for the A-HTRUST Scheme to be implemented and which are reproduced in Paragraph 2.5(a) of the Letter to A-HTRUST Stapled Securityholders
<u>“Combined Entity”</u>	:	The enlarged Ascott Reit Group comprising the stapled Ascott Reit and Ascott BT, with A-HTRUST REIT as a sub-trust of Ascott Reit and A-HTRUST BT as a sub-trust of Ascott BT, which following the completion of the Combination and the A-HTRUST Scheme, will be named “Ascott Residence Trust”
<u>“Companies Act”</u>	:	Companies Act (Chapter 50 of Singapore)
<u>“Conflicted Directors”</u>	:	Mr. Miguel Ko and Mr. Manohar Khiatani
<u>“Consideration Units”</u>	:	0.7942 Ascott Reit-BT Stapled Units with respect to each A-HTRUST Scheme Unit
<u>“Court”</u>	:	The High Court of the Republic of Singapore, or where applicable on appeal, the Court of Appeal of the Republic of Singapore
<u>“DPU”</u>	:	Distribution per unit
<u>“Effective Date”</u>	:	The date on which the A-HTRUST Scheme becomes effective in accordance with its terms
<u>“HVS”</u>	:	SG&R Singapore Pte Ltd (trading as HVS)

DEFINITIONS

<u>“Encumbrances”</u>	:	Means, with respect to any asset or real property: (a) any charge, claim, hypothecation, lien, mortgage, power of sale, retention of title, or security interest of any kind over and in respect of such asset or real property; and (b) any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which any such asset or real property is subject or any right or option for the sale or purchase of any such asset or real property, and any other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing
<u>“Entitled Stapled Securityholders”</u>	:	A-HTRUST Stapled Securityholders as at 5.00 p.m. on the A-HTRUST Scheme Entitlement Date
<u>“Extraordinary General Meeting”</u> or <u>“EGM”</u>	:	The extraordinary general meeting of the A-HTRUST Stapled Securityholders to be convened to approve the A-HTRUST Trust Deeds Amendments, notice of which is set out on pages H-1 to H-4 of this Scheme Document
<u>“Extraordinary Resolution”</u>	:	A resolution proposed and passed as such by the A-HTRUST Stapled Securityholders consisting of not less than 75% of the total number of votes held by the A-HTRUST Stapled Securityholders present and voting either in person or by proxy cast for and against such resolution at a meeting of the A-HTRUST Stapled Securityholders
<u>“FATA”</u>	:	The Foreign Acquisitions and Takeovers Act 1975 (Cth) of Australia
<u>“FY”</u>	:	Means: (a) in respect of A-HTRUST, financial year ended 31 March or with effect from 10 July 2019, financial year ended or ending 31 December, as the case may be; or (b) in respect of Ascott Reit, financial year ended or ending 31 December, as the case may be
<u>“GT”</u>	:	Tang Yigang (a.k.a Gordon Tang)

DEFINITIONS

<u>“Governmental Authority”</u>	:	Any supranational, national, federal, state, municipal or local court, administrative, regulatory, fiscal or judicial agency, authority, body, commission, department, exchange, tribunal or entity, or other governmental, semi-governmental or quasi-governmental entity or authority, or any securities exchange, wherever located
<u>“Implementation Agreement”</u>	:	The implementation agreement dated 3 July 2019 entered into between the Ascott Reit Trustee, the Ascott Reit Manager, the A-HTRUST REIT Trustee, the A-HTRUST REIT Manager and the A-HTRUST BT Trustee-Manager, as amended and restated by a letter dated 9 September 2019, setting out the terms and conditions on which the A-HTRUST Scheme will be implemented
<u>“IRAS”</u>	:	Inland Revenue Authority of Singapore
<u>“Joint Announcement”</u>	:	The joint announcement by the Ascott Reit Manager and the A-HTRUST Managers of the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition and the A-HTRUST Scheme released on 3 July 2019
<u>“Joint Announcement Date”</u>	:	3 July 2019, being the date of the Joint Announcement
<u>“Latest Practicable Date”</u>	:	12 September 2019, being the latest practicable date prior to the printing of this Scheme Document
<u>“Letter to A-HTRUST Stapled Securityholders”</u>	:	The letter from the A-HTRUST Managers to the A-HTRUST Stapled Securityholders as set out on pages 1 to 99 of this Scheme Document
<u>“Listing Manual”</u>	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
<u>“Long-Stop Date”</u>	:	31 December 2019 (or such other date as the Parties may agree in writing)
<u>“Market Day”</u>	:	A day on which the SGX-ST is open for the trading of securities
<u>“MAS”</u>	:	Monetary Authority of Singapore

DEFINITIONS

<u>“Material Disposal”</u>	:	Any sale, conveyance, transfer, assumption or disposal of any real property, assets or securities in any entity, partnership or trust the carrying value of which in the A-HTRUST FY2018/2019 Financial Statements, individually or when aggregated with the carrying value of other real property, assets or securities in the A-HTRUST FY2018/2019 Financial Statements disposed of in any and all other related disposals on or after the Joint Announcement Date, exceeds S\$97,000,000 (or its equivalent in other currencies), being 5% of the consolidated total assets of the A-HTRUST Group as at 31 March 2019
<u>“NAV”</u>	:	Net asset value
<u>“Offeror’s Letter”</u>	:	The letter from the Ascott Reit Manager to A-HTRUST Stapled Securityholders as set out in Appendix B to this Scheme Document
<u>“Official List”</u>	:	The list of issuers maintained by SGX-ST in relation to the mainboard of the SGX-ST
<u>“Overseas Stapled Securityholders”</u>	:	A-HTRUST Stapled Securityholders whose registered addresses (as recorded in the Register of A-HTRUST Stapled Securityholders or in the records maintained by CDP for the service of notice and documents) are outside Singapore
<u>“Parties”</u>	:	The parties to the Implementation Agreement, being the Ascott Reit Trustee, the Ascott Reit Manager, the A-HTRUST REIT Trustee, the A-HTRUST REIT Manager and the A-HTRUST BT Trustee-Manager, and <u>“Party”</u> means any one (1) of them
<u>“Person”</u>	:	Any individual, company, corporation, general partnership, limited partnership, trust or other entity, organisation or unincorporated association, wherever constituted or located and whether or not having separate legal personality, including any Governmental Authority
<u>“Property Funds Appendix”</u>	:	Appendix 6 (Property Funds Appendix) of the Code on Collective Investment Schemes
<u>“Proxy Form (EGM)”</u>	:	The accompanying proxy form for the Extraordinary General Meeting as set out in this Scheme Document
<u>“Proxy Form (Scheme Meeting)”</u>	:	The accompanying proxy form for the Scheme Meeting as set out in this Scheme Document

DEFINITIONS

<u>“Register of A-HTRUST Stapled Securityholders”</u>	:	The register of A-HTRUST Stapled Securityholders
<u>“Relevant Date”</u>	:	The date falling on the Business Day immediately preceding the Effective Date of the A-HTRUST Scheme
<u>“relevant distribution period”</u>	:	The period in respect of which the Ascott Reit Permitted Distributions and the A-HTRUST Permitted Distributions, as the case may be, are permitted to be distributed
<u>“relevant intermediary”</u>	:	(a) a banking corporation licensed under the Banking Act (Chapter 19 of Singapore) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds A-HTRUST Stapled Securities in that capacity; or (b) a person holding a capital markets services licence to provide custodial services for securities under the SFA who holds A-HTRUST Stapled Securities in that capacity
<u>“Reverse Break Fee”</u>	:	S\$12,350,000, being an amount equal to 1% of the aggregate Scheme Consideration (rounded down to the nearest S\$10,000)
<u>“Rules of Court”</u>	:	Rules of Court (Chapter 322, R 5 of Singapore)
<u>“Scheme Consideration”</u>	:	With respect to each A-HTRUST Scheme Unit: (a) the Cash Consideration; and (b) the Consideration Units
<u>“Scheme Document”</u>	:	This document dated 26 September 2019 and any other document(s) which may be issued by or on behalf of the A-HTRUST Managers to amend, revise, supplement or update the document(s) from time to time
<u>“Scheme Meeting”</u>	:	The meeting of the A-HTRUST Stapled Securityholders to be convened by order of the Court to approve the A-HTRUST Scheme, notice of which is set out on pages K-1 to K-4 of this Scheme Document, and any adjournment thereof
<u>“Scheme Meeting Court Order”</u>	:	The order of Court dated 16 September 2019 convening the Scheme Meeting
<u>“Securities Account”</u>	:	The relevant securities account maintained by a depositor with CDP but does not include a securities sub-account

DEFINITIONS

<u>“SFA”</u>	:	Securities and Futures Act (Chapter 289 of Singapore)
<u>“SGX-ST”</u>	:	Singapore Exchange Securities Trading Limited
<u>“SIC”</u>	:	Securities Industry Council of Singapore
<u>“SRS”</u>	:	Supplementary Retirement Scheme
<u>“SRS Agent Banks”</u>	:	Agent banks included under the SRS
<u>“SRS Investors”</u>	:	Investors who have purchased A-HTRUST Stapled Securities using their SRS contributions pursuant to the SRS
<u>“Stapled”</u>	:	The linking together of an A-HTRUST REIT Unit and an A-HTRUST BT Unit so that any one (1) may not be transferred or otherwise dealt with without the other
<u>“Stapled Security Registrar”</u>	:	Boardroom Corporate & Advisory Services Pte. Ltd., the stapled security registrar of A-HTRUST
<u>“Surviving Provisions”</u>	:	Clauses 1, 11, 13.3, 14, 15, 16, 17, 18, 19, 20, 21 (save for Clause 21.1) of the Implementation Agreement
<u>“TAA”</u>	:	The Taxation Administration Act 1953 (Cth) of Australia
<u>“TAL”</u>	:	The Ascott Limited (Company Registration No. 197900881N), whose registered office is at 168 Robinson Road, #30-01, Capital Tower, Singapore 068912
<u>“Unstapled”</u>	:	(a) In relation to an A-HTRUST REIT Unit, not being Stapled to an A-HTRUST BT Unit; and (b) in relation to an A-HTRUST BT Unit, not being Stapled to an A-HTRUST REIT Unit
<u>“Unstapling”</u>	:	The process that results in: (a) an A-HTRUST REIT Unit no longer being Stapled to an A-HTRUST BT Unit; and (b) an A-HTRUST BT Unit no longer being Stapled to an A-HTRUST REIT Unit

DEFINITIONS

“VWAP” : Volume weighted average price

“S\$” or **“SGD”** and cents : Singapore dollars and cents respectively, being the lawful currency of Singapore

The terms **“acting in concert”** and **“concert parties”** shall have the meanings ascribed to them in the Code.

The terms **“depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms **“subsidiary”** and **“related corporation”** shall have the meanings ascribed to them in Sections 5 and 6 of the Companies Act.

For the avoidance of doubt, any and all references to the **“Ascott Reit Acquisition”** and the **“Combination”** refer to one and the same transaction – the Combination – save that the term **“Ascott Reit Acquisition”** is intended to refer, specifically, to the Combination in the context of it being an interested person transaction and material transaction with respect to Ascott Reit.

The headings in this Scheme Document are inserted for convenience only and shall be ignored in construing this Scheme Document.

Words importing the singular only shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual or the Code or any modification thereof and used in this Scheme Document shall, where applicable, have the same meaning assigned to it under the Companies Act, the SFA, the Listing Manual or the Code or any modification thereof, as the case may be, unless otherwise provided.

Any reference to any document or agreement shall include a reference to such document or agreement as amended, modified, supplemented and/or varied from time to time.

Any reference to a time of day and date in this Scheme Document shall be a reference to Singapore time of day and date respectively, unless otherwise specified.

Any discrepancies in figures included in this Scheme Document between the listed amounts shown and the totals thereof and/or the respective percentages are due to rounding. Accordingly, figures shown as totals in this Scheme Document may not be an arithmetic aggregation of the figures that precede them.

In this Scheme Document, the total number of A-HTRUST Stapled Securities as at the Latest Practicable Date is 1,137,723,271. Unless stated otherwise, all references to percentage stapled securityholding in the capital of A-HTRUST in this Scheme Document are based on 1,137,723,271 A-HTRUST Stapled Securities as at the Latest Practicable Date.

CAUTIONARY NOTES

Forward Looking Statements. All statements other than statements of historical facts included in this Scheme Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Ascott Reit Manager’s or the A-HTRUST Managers’ (as the case may be) current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Given the risks and uncertainties that may cause actual results or outcomes to differ materially from those expressed or implied in such forward-looking statements, the A-HTRUST Stapled Securityholders and investors of Ascott Reit and A-HTRUST should not place undue reliance on such forward-looking statements, and none of the Ascott Reit Manager, the Ascott Reit Trustee, the A-HTRUST Managers, the A-HTRUST REIT Trustee, the Ascott Reit Financial Adviser and the A-HTRUST Financial Adviser undertakes any obligation to update publicly or revise any forward-looking statements.

No representation, warranty or covenant, express or implied, is made by the A-HTRUST Managers, the A-HTRUST REIT Trustee or the A-HTRUST Financial Adviser or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information relating to the *pro forma* distribution per A-HTRUST Stapled Security and *pro forma* NAV per A-HTRUST Stapled Security contained in this Scheme Document and nothing contained in this Scheme Document is or should be relied upon as a promise, representation or covenant by any of the aforementioned persons.

EXPECTED TIMETABLE

EXTRAORDINARY GENERAL MEETING

Last date and time for lodgement of Proxy Form (EGM) : **19 October 2019, 2.30 p.m.**⁽¹⁾⁽²⁾

Date and time of Extraordinary General Meeting : **21 October 2019, 2.30 p.m.**

Place of Extraordinary General Meeting : **Raffles City Convention Centre,
Canning Ballroom,
Level 4, 2 Stamford Road,
Singapore 178882**

SCHEME MEETING⁽³⁾

Last date and time for lodgement of Proxy Form (Scheme Meeting) : **19 October 2019, 3.30 p.m.**⁽¹⁾⁽²⁾

Date and time of Scheme Meeting : **21 October 2019, 3.30 p.m.** or as soon thereafter following the conclusion or adjournment of the Extraordinary General Meeting to be held, whichever is later

Place of Scheme Meeting : **Raffles City Convention Centre,
Canning Ballroom,
Level 4, 2 Stamford Road,
Singapore 178882**

Expected date of Court hearing of the application to sanction the A-HTRUST Scheme : **11 November 2019**⁽⁴⁾

Expected last day of trading of the A-HTRUST Stapled Securities : **16 December 2019**

Expected A-HTRUST Scheme Entitlement Date : **18 December 2019, 5.00 p.m.**

Expected Relevant Date : **18 December 2019**⁽⁴⁾

Expected Effective Date : **19 December 2019**⁽⁵⁾

Expected date for the allotment and issue of the Consideration Units : **By 31 December 2019**⁽⁴⁾

Expected date for the delisting of A-HTRUST : **3 January 2020**

EXPECTED TIMETABLE

You should note that save for the last date and time for the lodgement of the Proxy Form (EGM) and the Proxy Form (Scheme Meeting) and the date, time and place of each of the Extraordinary General Meeting and the Scheme Meeting, the above timetable is indicative only and may be subject to change. For the events listed above which are described as “expected”, please refer to future announcement(s) by A-HTRUST for the exact dates of these events.

Notes:

- (1) A-HTRUST Stapled Securityholders are requested to lodge both the Proxy Form (EGM) and the Proxy Form (Scheme Meeting) in accordance with the respective instructions contained therein not less than 48 hours before the time appointed for the Extraordinary General Meeting and the Scheme Meeting (as applicable).
- (2) The Proxy Form (EGM) and the Proxy Form (Scheme Meeting) and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited with the Stapled Security Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623. The submission of the Proxy Form (EGM) and/or the Proxy Form (Scheme Meeting) will not preclude an A-HTRUST Stapled Securityholder from attending, speaking and voting in person at the Extraordinary General Meeting and/or the Scheme Meeting (as the case may be) if he/she finds that he/she is able to do so. Any appointment of a proxy/the proxies shall be deemed to be revoked if an A-HTRUST Stapled Securityholder attends the Extraordinary General Meeting and/or the Scheme Meeting (as the case may be) in person, and in such event, the A-HTRUST Managers reserve the right to refuse to admit any person appointed under the Proxy Form (EGM) and the Proxy Form (Scheme Meeting) to the Extraordinary General Meeting and Scheme Meeting respectively.
- (3) The Scheme Meeting will only be convened if the A-HTRUST Trust Deeds Amendments Resolution is passed by way of an Extraordinary Resolution at the Extraordinary General Meeting.
- (4) The date of the Court hearing of the application to sanction the A-HTRUST Scheme will depend on the date that is allocated by the Court.
- (5) If each of the Combination Conditions is satisfied or, as the case may be, has been waived in accordance with the Implementation Agreement, the A-HTRUST Scheme will come into effect within 10 Business Days after the last of the Combination Conditions set out in Paragraphs 2.5(a)(i), 2.5(a)(ii) and 2.5(a)(iii) of the Letter to A-HTRUST Stapled Securityholders has been satisfied or waived and provided that the Combination Conditions set out in Paragraphs 2.5(a)(iv), 2.5(a)(v), 2.5(a)(vi) and 2.5(a)(vii) of the Letter to A-HTRUST Stapled Securityholders have been satisfied or waived on the Relevant Date.

CORPORATE INFORMATION

A-HTRUST REIT MANAGER	:	Ascendas Hospitality Fund Management Pte. Ltd.
A-HTRUST BT TRUSTEE-MANAGER	:	Ascendas Hospitality Trust Management Pte. Ltd.
A-HTRUST DIRECTORS	:	Mr. Miguel Ko (Chairman and Non-Executive Director) Mr. Chia Kim Huat (Lead Independent Director) Mr. Manohar Khiatani (Non-Executive Director) Mr. Tan Juay Hiang (Chief Executive Officer) Mr. Robert Hecker (Independent Director) Mr. Michael Issenberg (Non-Executive Director) Ms. Deborah Lee Siew Yin (Independent Director) Mr. Patrick Lee Fook Yau (Independent Director) Mr. Willy Shee Ping Yah (Independent Director)
COMPANY SECRETARIES	:	Ms. Mary Judith De Souza Mr. Hon Wei Seng
REGISTERED OFFICE OF THE A-HTRUST MANAGERS	:	1 Fusionopolis Place #10-10 Galaxis Singapore 138522
A-HTRUST REIT TRUSTEE	:	Perpetual (Asia) Limited 8 Marina Boulevard #05-02 Marina Bay Financial Centre Singapore 018981
STAPLED SECURITY REGISTRAR	:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
LEGAL ADVISER TO THE A-HTRUST MANAGERS	:	WongPartnership LLP 12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982
LEGAL ADVISER TO THE A-HTRUST REIT TRUSTEE	:	Rajah & Tann Singapore LLP 9 Battery Road #25-01 Singapore 049910
FINANCIAL ADVISER TO THE A-HTRUST MANAGERS	:	Morgan Stanley Asia (Singapore) Pte. 23 Church Street #16-01 Capital Square Singapore 049481

CORPORATE INFORMATION

**INDEPENDENT FINANCIAL
ADVISER TO THE A-HTRUST
INDEPENDENT DIRECTORS
AND TO THE A-HTRUST REIT
TRUSTEE** : Deloitte & Touche Corporate Finance Pte Ltd
6 Shenton Way
OUE Downtown 2
#33-00
Singapore 068809

A-HTRUST AUDITORS : Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

ASCENDAS HOSPITALITY TRUST

Comprising

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.

Directors of the A-HTRUST REIT Manager

Mr. Miguel Ko (Chairman and Non-Executive Director)
Mr. Chia Kim Huat (Lead Independent Director)
Mr. Manohar Khiatani (Non-Executive Director)
Mr. Tan Juay Hiang (Chief Executive Officer)
Mr. Robert Hecker (Independent Director)
Mr. Michael Issenberg (Non-Executive Director)
Ms. Deborah Lee Siew Yin (Independent Director)
Mr. Patrick Lee Fook Yau (Independent Director)
Mr. Willy Shee Ping Yah (Independent Director)

Directors of the A-HTRUST BT Trustee-Manager

Mr. Miguel Ko (Chairman and Non-Executive Director)
Mr. Chia Kim Huat (Lead Independent Director)
Mr. Manohar Khiatani (Non-Executive Director)
Mr. Tan Juay Hiang (Chief Executive Officer)
Mr. Robert Hecker (Independent Director)
Mr. Michael Issenberg (Non-Executive Director)
Ms. Deborah Lee Siew Yin (Independent Director)
Mr. Patrick Lee Fook Yau (Independent Director)
Mr. Willy Shee Ping Yah (Independent Director)

26 September 2019

To: The A-HTRUST Stapled Securityholders

Dear Sir/Madam

- (1) **THE PROPOSED A-HTRUST TRUST DEEDS AMENDMENTS TO THE A-HTRUST TRUST DEEDS; AND**
- (2) **THE PROPOSED COMBINATION OF ASCOTT RESIDENCE TRUST AND ASCENDAS HOSPITALITY TRUST BY WAY OF A TRUST SCHEME OF ARRANGEMENT**

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.

Registered Office:

1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

Registered Office:

1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

1. INTRODUCTION

1.1 Joint Announcement of the Combination and the A-HTRUST Scheme

On 3 July 2019, the respective boards of directors of the A-HTRUST Managers and the Ascott Reit Manager jointly announced the Combination, which shall be effected through the acquisition by Ascott Reit of all the A-HTRUST Stapled Securities held by the A-HTRUST Stapled Securityholders by way of a trust scheme of arrangement in compliance with the Code.

A copy of the Joint Announcement is available on the SGX-ST website at www.sgx.com.

1.2 Proposed A-HTRUST Trust Deeds Amendments

In connection with the implementation of the A-HTRUST Scheme, it was also announced that the A-HTRUST Managers propose to amend the A-HTRUST Trust Deeds to include the A-HTRUST Trust Deeds Amendments to facilitate the implementation of the A-HTRUST Scheme.

1.3 Summary of Approvals Sought

(a) A-HTRUST Trust Deeds Amendments Resolution

The A-HTRUST Managers are convening the Extraordinary General Meeting to seek approval for the A-HTRUST Trust Deeds Amendments Resolution.

(b) A-HTRUST Scheme Resolution

In addition, the A-HTRUST Managers are convening the Scheme Meeting to seek the approval of a majority in number of the A-HTRUST Stapled Securityholders representing at least 75% in value of the A-HTRUST Stapled Securities held by the A-HTRUST Stapled Securityholders present and voting either in person or by proxy at the Scheme Meeting to approve the A-HTRUST Scheme Resolution, subject to and contingent upon the approval of the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting.

The A-HTRUST Scheme Resolution is contingent upon the approval of the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting. In the event that the A-HTRUST Trust Deeds Amendments Resolution is not passed at the Extraordinary General Meeting, the A-HTRUST Managers will not proceed with the convening of the Scheme Meeting. This means that the A-HTRUST Scheme cannot be implemented by the A-HTRUST Managers and the Ascott Reit Manager unless both the A-HTRUST Trust Deeds Amendments Resolution and the A-HTRUST Scheme Resolution are passed at the Extraordinary General Meeting and the Scheme Meeting respectively.

In addition, the A-HTRUST Scheme will only come into effect if all the Combination Conditions set out in Paragraph 2.5(a) have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

1.4 Purpose

The purpose of this Scheme Document is to set out information pertaining to the proposed A-HTRUST Trust Deeds Amendments and the A-HTRUST Scheme, to seek approval from the A-HTRUST Stapled Securityholders for the proposed A-HTRUST Trust Deeds Amendments and the A-HTRUST Scheme, and to give the A-HTRUST Stapled Securityholders notice of both the Extraordinary General Meeting and the Scheme Meeting.

2. THE COMBINATION AND THE A-HTRUST SCHEME

2.1 The Combination and the A-HTRUST Scheme

(a) Terms of the A-HTRUST Scheme

It is proposed that the A-HTRUST Scheme will be effected in accordance with the Code and the A-HTRUST Trust Deeds (to be amended and supplemented by the A-HTRUST Trust Deeds Amendments as explained below), subject to the terms and conditions of the Implementation Agreement. Under the A-HTRUST Scheme:

(i) Scheme Consideration: In consideration of the transfer of the A-HTRUST REIT Units and the A-HTRUST BT Units, each of the Ascott Reit Trustee and the Ascott BT Trustee-Manager will, upon the A-HTRUST Scheme becoming effective in accordance with its terms, pay or procure the payment of S\$1.0868 per A-HTRUST Stapled Security held by each of the A-HTRUST Stapled Securityholders as at the A-HTRUST Scheme Entitlement Date, which shall be satisfied by:

(A) the payment by the Ascott Reit Trustee and the Ascott BT Trustee-Manager of the Cash Consideration of S\$0.0543 in cash for each A-HTRUST Stapled Security¹; and

(B) the allotment and issue by the Ascott Reit Trustee and the Ascott BT Trustee-Manager of the Consideration Units of 0.7942 Ascott Reit-BT Stapled Units at an issue price of S\$1.30 for each Consideration Unit and credited as fully paid as follows:

(1) the allotment and issue by the Ascott Reit Trustee of new Ascott Reit Units on an unstapled basis as part of the Scheme Consideration; and

(2) the allotment and issue by the Ascott BT Trustee-Manager of new Ascott BT Units on an unstapled basis as part of the Scheme Consideration,

on terms that immediately after such issuance and receipt thereof by the A-HTRUST Stapled Securityholder, each such new Ascott Reit Unit will be stapled with one (1) Ascott BT Unit so as to form one (1) Ascott Reit-BT Stapled Unit in accordance with the Ascott Reit-BT Stapling Deed.

¹ Based on a total of 1,136.7 million A-HTRUST Stapled Securities as at the Joint Announcement Date, the aggregate Cash Consideration for the A-HTRUST Scheme is approximately S\$61.8 million.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

The Scheme Consideration implies a gross exchange ratio of 0.836 times, which was derived from the audited NAV for each A-HTRUST Stapled Security as at 31 March 2019 of S\$1.02 divided by the audited NAV for each Ascott Reit Unit as at 31 December 2018 of S\$1.22.

The Scheme Consideration was determined based on commercial negotiations between the Ascott Reit Manager and the A-HTRUST Managers. Factors taken into account in arriving at the Scheme Consideration included (without limitation): (A) the implied value of the Scheme Consideration relative to the historical trading prices and NAV of Ascott Reit and A-HTRUST; and (B) the DPU and NAV accretion to the A-HTRUST Stapled Securityholders on a historical *pro forma* basis.

The aggregate Cash Consideration to be paid to each A-HTRUST Stapled Securityholder shall be rounded to the nearest S\$0.01. The number of Consideration Units which each A-HTRUST Scheme Unitholder shall be entitled to pursuant to the A-HTRUST Scheme, based on the number of A-HTRUST Scheme Units held by such A-HTRUST Scheme Unitholder as at the A-HTRUST Scheme Entitlement Date, shall be rounded down to the nearest whole number, and fractional entitlements shall be disregarded.

By way of illustration, if the A-HTRUST Scheme becomes effective in accordance with its terms, an A-HTRUST Scheme Unitholder will receive S\$54.30 in cash and 794 Ascott Reit-BT Stapled Units for every 1,000 A-HTRUST Stapled Securities held by him/her as at the A-HTRUST Scheme Entitlement Date.

A-HTRUST Stapled Securityholders should also note that they may receive odd-lots of Ascott Reit-BT Stapled Units pursuant to the A-HTRUST Scheme.

- (ii) A-HTRUST Scheme: The following key steps will be taken in relation to the Combination:
- (A) Ascott Reit has established a wholly-owned business trust, Ascott BT. As at the Latest Practicable Date, there is one (1) unit in Ascott BT and as at the Ascott Reit Scheme Entitlement Date, the number of Ascott BT Units will be equivalent to the number of issued and outstanding Ascott Reit Units. Pursuant to the establishment of the Ascott BT and the stapled Ascott Reit and Ascott BT structure, the Ascott BT Trust Deed and Ascott Reit-BT Stapling Deed have been entered into. Further details on the Ascott BT and the stapled Ascott Reit and Ascott BT structure, the rights, preferences and restrictions attaching to each class of Ascott BT Units and the stapling and unstapling procedures of the Ascott Reit Units and the Ascott BT Units are set out in the Ascott Reit Composite Document;
 - (B) pursuant to the Ascott Reit Scheme to be effected in accordance with the Ascott Reit Trust Deed, all the Ascott BT Units will be distributed *in specie* to the Ascott Reit Unitholders as at the Ascott Reit Scheme Entitlement Date and each Ascott BT Unit will be stapled to one (1) Ascott Reit Unit so as to form one (1) Ascott Reit-BT Stapled Unit in accordance with the Ascott Reit-BT Stapling Deed; and

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

(C) pursuant to the A-HTRUST Scheme to be effected in accordance with the Code and the A-HTRUST Trust Deeds (as amended), on the A-HTRUST Scheme Implementation Date:

- (1) the A-HTRUST Managers will Unstaple the A-HTRUST REIT Units and the A-HTRUST BT Units from the other and effect such Unstapling before any A-HTRUST REIT Unit and A-HTRUST BT Unit may be transferred to the Ascott Reit Trustee and the Ascott BT Trustee-Manager, respectively, pursuant to the A-HTRUST Scheme, such that each and every A-HTRUST Scheme Unit which is transferred to the Ascott Reit Trustee and the Ascott BT Trustee-Manager shall be transferred on an Unstapled basis; and
- (2) the Ascott Reit Trustee will acquire all the A-HTRUST REIT Units, and the Ascott BT Trustee-Manager will acquire all the A-HTRUST BT Units, for the Scheme Consideration, in each case, fully paid, free from all Encumbrances and together with all rights, benefits and entitlements attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the A-HTRUST Managers on or after the Joint Announcement Date, except for the A-HTRUST Permitted Distributions,

such that on the A-HTRUST Scheme Implementation Date, the Ascott Reit Trustee shall hold 100% of all the A-HTRUST REIT Units and the Ascott BT Trustee-Manager shall hold 100% of all the A-HTRUST BT Units, in each case, on an Unstapled basis.

(b) Permitted Distributions

(i) General

(A) Subject to the terms and conditions of the Implementation Agreement, the A-HTRUST Managers are permitted to declare, pay or make distributions to the A-HTRUST Stapled Securityholders (the "**A-HTRUST Permitted Distributions**"):

- (1) the distributions which have been declared, or which any A-HTRUST Manager is under a contractual obligation to make or pay but has not made or paid (in each case, where such declaration or obligation has been disclosed to the Ascott Reit Trustee and the Ascott Reit Manager), prior to the Joint Announcement Date; or
- (2) the distributions declared, paid or made or to be declared, paid or made in the ordinary course of business and to the extent consistent with past practice by any A-HTRUST Manager to the A-HTRUST Stapled Securityholders in respect of the period from 1 April 2019 up to (and including) the A-HTRUST Scheme Implementation Date (including any clean-up distribution to the A-HTRUST Stapled Securityholders in respect of the period from the day following the latest completed financial half year of A-HTRUST preceding the Effective Date, up to (and including) the A-HTRUST Scheme Implementation Date),

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

provided that, for this purpose, the A-HTRUST Permitted Distributions shall include any and all distributions declared, paid or made or to be declared, paid or made in respect of any net gains (after taking into consideration applicable taxes and transaction fees, costs and expenses) arising from any divestments by any A-HTRUST Group Entity effected or completed on or after 1 April 2019, up to (and including) the A-HTRUST Scheme Implementation Date;

- (B) subject to the terms and conditions of the Implementation Agreement, the Ascott Reit Manager is permitted to declare, pay or make distributions to the Ascott Reit Unitholders (the “**Ascott Reit Permitted Distributions**”):
- (1) the distributions which have been declared, or which the Ascott Reit Manager is under a contractual obligation to make or pay but has not made or paid (in each case, where such declaration or obligation has been disclosed to the A-HTRUST REIT Trustee and the A-HTRUST Managers), prior to the Joint Announcement Date; or
 - (2) the distributions declared, paid or made or to be declared, paid or made in the ordinary course of business and to the extent consistent with past practice by the Ascott Reit Manager to the Ascott Reit Unitholders in respect of the period from 1 January 2019 up to (and including) the A-HTRUST Scheme Implementation Date (including any clean-up distribution to the Ascott Reit Unitholders in respect of the period from the day following the latest completed financial half year of Ascott Reit preceding the Effective Date, up to (and including) the A-HTRUST Scheme Implementation Date,

provided that for this purpose, the Ascott Reit Permitted Distributions shall include any and all distributions declared, paid or made or to be declared, paid or made in respect of any net gains (after taking into consideration applicable taxes and transaction fees, costs and expenses) arising from any divestments by any Ascott Reit Group Entity effected or completed on or after 1 January 2019, up to (and including) the A-HTRUST Scheme Implementation Date.

The A-HTRUST Managers and the Ascott Reit Manager shall be entitled to declare, make or pay the A-HTRUST Permitted Distributions and the Ascott Reit Permitted Distributions (as the case may be) without any adjustment to the Scheme Consideration.

The A-HTRUST Scheme Unitholders shall have the right to receive and retain the A-HTRUST Permitted Distributions in addition to the Scheme Consideration.

The Ascott Reit Manager reserves the right to adjust the Scheme Consideration by reducing the cash component of the Scheme Consideration, the unit component of the Scheme Consideration or by any combination of such cash and unit components, if and to the extent any distribution in excess of the A-HTRUST Permitted Distributions is declared, made or paid by the A-HTRUST Managers on or after the Joint Announcement Date.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

(ii) Amendment

As announced by the Ascott Reit Manager and the A-HTRUST Managers on 9 September 2019, the Parties have agreed to make certain amendments to the Implementation Agreement as summarised below:

- (a) to revise the period in respect of which the Ascott Reit Permitted Distributions and the A-HTRUST Permitted Distributions, as the case may be, are permitted to be distributed (“**relevant distribution period**”). The initial relevant distribution period and the amended relevant distribution period are as follows:

	Initial relevant distribution period	Amended relevant distribution period
Ascott Reit Permitted Distributions	1 January 2019 up to the day immediately before the Effective Date	1 January 2019 up to (and including) the A-HTRUST Scheme Implementation Date
A-HTRUST Permitted Distributions	1 April 2019 up to the day immediately before the Effective Date	1 April 2019 up to (and including) the A-HTRUST Scheme Implementation Date
Note	Based on the indicative timeline presently envisaged by the Parties, the day immediately before the Effective Date is expected to be 18 December 2019	Based on the indicative timeline presently envisaged between the Parties, the A-HTRUST Scheme Implementation Date is expected to be 31 December 2019

This amendment has been effected so as to align the last date of the relevant distribution period with the A-HTRUST Scheme Implementation Date.

This is because the A-HTRUST Scheme Implementation Date, being the date of completion and settlement of the Combination, is the date on which:

- (A) the transfer of the A-HTRUST REIT Units and the A-HTRUST BT Units to the Ascott Reit Trustee and the Ascott BT Trustee-Manager, respectively, takes place; and
- (B) the issuance of the Consideration Units to the A-HTRUST Scheme Unitholders takes place.

Accordingly, up to (and including) the A-HTRUST Scheme Implementation Date, the Ascott Reit Unitholders and the A-HTRUST Stapled Securityholders, as unitholders/securityholders of Ascott Reit and A-HTRUST, respectively, should each be entitled to the Ascott Reit Permitted Distributions and the A-HTRUST Permitted Distributions, respectively. The amendments reflect this position by allowing the Ascott

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

Reit Unitholders and the A-HTRUST Stapled Securityholders to be entitled to the Ascott Reit Permitted Distributions and the A-HTRUST Permitted Distributions, respectively, up to (and including) the A-HTRUST Scheme Implementation Date; and

- (b) to provide that the Ascott Reit Scheme Entitlement Date may fall on a different date than the A-HTRUST Scheme Entitlement Date.

This amendment has been effected so as to allow for greater flexibility in accommodating the logistics of settlement of the Combination.

(c) Consideration Units

The Consideration Units will:

- (i) when issued, be duly authorised, validly issued and fully paid-up and will rank *pari passu* in all respects with the existing Ascott Reit-BT Stapled Units as at the date of their issue;
- (ii) be issued free from any and all Encumbrances and restrictions on transfers and no person shall have any rights of pre-emption over the Consideration Units; and
- (iii) be issued at an issue price of S\$1.30 for each Ascott Reit-BT Stapled Unit, being the price agreed between the Parties at which the Consideration Units will be issued.

For the avoidance of doubt:

- (A) the Consideration Units will be issued with all rights, benefits and entitlements attaching thereto as at the date of their issue (not as at the Joint Announcement Date, the Latest Practicable Date or any other date) and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the Ascott Reit Manager or the Ascott BT Trustee-Manager on or after the date of their issue (and not on or after the Joint Announcement Date, the Latest Practicable Date or any other date);
- (B) the Consideration Units will not be entitled to the Ascott Reit Permitted Distributions; and
- (C) the Parties shall be entitled to declare, make or pay the Ascott Reit Permitted Distributions and the A-HTRUST Permitted Distributions (as the case may be) without any adjustment to the Scheme Consideration. The A-HTRUST Stapled Securityholders shall have the right to receive and retain the A-HTRUST Permitted Distributions in addition to the Scheme Consideration.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

As announced by the Ascott Reit Manager on 9 September 2019, the SGX-ST has given its approval in-principle for the listing and quotation of the following units, in each case, on the Main Board of the SGX-ST:

- (i) up to 2,183.2 million new Ascott Reit-BT Stapled Units, which will be issued to existing Ascott Reit Unitholders pursuant to the Ascott Reit Scheme;
- (ii) up to 906.0² million new Ascott Reit-BT Stapled Units, which will be issued as part consideration for the Combination; and
- (iii) new Ascott Reit-BT Stapled Units which may be issued to the Ascott Reit-BT Managers from time to time pursuant to the general mandate for issuance of new Ascott Reit-BT Stapled Units, in full or part payment of fees payable to the Ascott Reit-BT Managers (including up to 7.3 million Ascott Reit-BT Stapled Units to be issued as payment for the Acquisition Fee in respect of the Combination).

The approval in-principle for the listing and quotation of such units is subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements;
- (b) approval of the Ascott Reit Unitholders of all the resolutions to be approved for the purpose of effecting the Combination; and
- (c) approval of the Court for the implementation of the Ascott Reit Scheme.

The SGX-ST's in-principle approval for the listing and quotation of such units is not to be taken as an indication of the merits of the Combination and the related proposals, the Ascott Reit-BT Stapled Units, Ascott Reit and/or its subsidiaries.

2.2 Information on A-HTRUST and the A-HTRUST Managers

(a) A-HTRUST

A-HTRUST is a stapled group comprising A-HTRUST REIT and A-HTRUST BT, established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate used predominantly for hospitality purposes, as well as real estate-related assets in connection with the foregoing. A-HTRUST was listed on the SGX-ST on 27 July 2012. Each A-HTRUST REIT Unit is Stapled to one (1) A-HTRUST BT Unit under the terms of the A-HTRUST Stapling Deed. As at the Joint Announcement Date, A-HTRUST's portfolio comprises 14 properties with over 4,700 rooms in seven (7) cities across four (4) countries in the Asia Pacific region.

² This feature takes into account and assumes that the base management fees and performance fees to the A-HTRUST Managers for the period from 1 April 2019 to 30 September 2019 are partially paid in A-HTRUST Stapled Securities.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

Certain key financial information with respect to the A-HTRUST Group is set out as follows:

A-HTRUST Group	FY ended 31 March 2019 (audited) (S\$ million)	1Q2019 (unaudited) (S\$ million)
NAV ³	1,153.6	1,123.2
Net Tangible Assets		
Net profits before tax (from continuing operations)	98.6	8.2
Total assets ⁴	1,938.4	1,909.6
Aggregate valuation of portfolio ⁵	1,822.5	1,822.5

As at the Latest Practicable Date: (i) A-HTRUST has 1,137,723,271 A-HTRUST Stapled Securities; and (ii) the market capitalisation of A-HTRUST is S\$1,228.7 million.

(b) The A-HTRUST Managers

A-HTRUST REIT Manager

The A-HTRUST REIT Manager was incorporated in Singapore on 23 November 2011. A-HTRUST REIT is managed by the A-HTRUST REIT Manager, whose main responsibility is to manage A-HTRUST REIT's assets and liabilities for the benefit of the A-HTRUST Stapled Securityholders, through setting the strategic direction of A-HTRUST REIT and making recommendations to the A-HTRUST REIT Trustee on the acquisition, divestment, development and/or enhancement of the assets of A-HTRUST REIT.

As at the Latest Practicable Date, the A-HTRUST REIT Manager has an issued and paid-up share capital of S\$1,000,001, comprising 1,000,001 ordinary shares in issue and no treasury shares. All of the issued shares of the A-HTRUST REIT Manager are held by Ascendas Investment Pte Ltd, which is a wholly-owned subsidiary of CapitaLand. The A-HTRUST REIT Manager holds a Capital Market Services Licence for Real Estate Investment Trust Management pursuant to the SFA.

³ The "NAV" or "Net Tangible Assets" of the A-HTRUST Group in this table refers to the net assets attributable to A-HTRUST Stapled Securityholders as set out in the audited financial statements of the A-HTRUST Group and which excludes non-controlling interests.

⁴ The difference of S\$115.9 million between "Total assets" and "Aggregate valuation of portfolio" comprises current and other non-current assets including cash and cash equivalents, trade and other receivables, prepayments, derivative financial instruments and deferred tax assets.

⁵ The valuations were carried out by, in respect of:

- (i) the Australia portfolio, Cushman & Wakefield (Valuations) Pty Ltd;
- (ii) the Japan portfolio, JLL Morii Valuation & Advisory K.K.;
- (iii) the South Korea portfolio, CBRE Korea Co., Ltd.; and
- (iv) the Singapore portfolio, CBRE Pte. Ltd.,

in each case, based on standards in line with market practice, including using a capitalisation method or discounted cash flow analysis.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

As at the Latest Practicable Date, the board of directors of the A-HTRUST REIT Manager comprises the following:

- (i) Mr. Miguel Ko (Chairman and Non-Executive Director);
- (ii) Mr. Chia Kim Huat (Lead Independent Director);
- (iii) Mr. Manohar Khiatani (Non-Executive Director);
- (iv) Mr. Tan Juay Hiang (Chief Executive Officer);
- (v) Mr. Robert Hecker (Independent Director);
- (vi) Mr. Michael Issenberg (Non-Executive Director);
- (vii) Ms. Deborah Lee Siew Yin (Independent Director);
- (viii) Mr. Patrick Lee Fook Yau (Independent Director); and
- (ix) Mr. Willy Shee Ping Yah (Independent Director).

A-HTRUST BT Trustee-Manager

The A-HTRUST BT Trustee-Manager was incorporated in Singapore on 13 December 2011. A-HTRUST BT is managed by the A-HTRUST BT Trustee-Manager, which has the dual responsibilities of safeguarding the interests of the A-HTRUST Stapled Securityholders and managing the business conducted by A-HTRUST BT. The A-HTRUST BT Trustee-Manager has general powers of management over the business and assets of A-HTRUST BT for the benefit of the A-HTRUST Stapled Securityholders as a whole.

As at the Latest Practicable Date, the A-HTRUST BT Trustee-Manager has an issued and paid-up share capital of S\$1,000,000, comprising 1,000,000 ordinary shares in issue and no treasury shares. All of the issued shares of the A-HTRUST BT Trustee-Manager are held by Ascendas Investment Pte Ltd, which is a wholly-owned subsidiary of CapitaLand.

As at the Latest Practicable Date, the board of directors of the A-HTRUST BT Trustee-Manager is the same as that of the A-HTRUST REIT Manager.

2.3 Information on Ascott Reit, Ascott Reit Manager and Ascott BT Trustee-Manager

(a) Ascott Reit

As stated in Paragraph 2.1 of the Offeror's Letter as set out in Appendix B to this Scheme Document, Ascott Reit is a real estate investment trust constituted on 19 January 2006 under the laws of the Republic of Singapore. Its trustee is the Ascott Reit Trustee and the principal office of the Ascott Reit Trustee is at 12 Marina Boulevard, Marina Bay Financial Centre, Singapore 018982. The principal office of the Ascott Reit Manager in Singapore is at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

Ascott Reit is Singapore's first and largest hospitality real estate investment trust with an asset size of S\$5.5 billion as at 30 June 2019. It has been listed on the SGX-ST since March 2006. Ascott Reit was established with the objective of investing primarily in real estate and real estate-related assets which are income-producing and which are used or predominantly used as serviced residences, rental housing properties and other hospitality assets. As at the Joint Announcement Date, Ascott Reit's international portfolio comprised 74 properties with over 11,700 units in 37 cities across 14 countries in Asia Pacific, Europe and the United States of America⁶.

Certain key financial information with respect to the Ascott Reit Group as at and for the financial year ended 31 December 2018 is set out as follows:

Ascott Reit Group	Information⁹ (S\$ million)
Net asset value ⁷	2,644.1
Net tangible asset value	
Net profits before tax	195.4
Total assets	5,309.1
Aggregate valuation of portfolio ⁸	4,942.9

Certain key financial information with respect to the Ascott Reit Group as at and for the six-month period ended 30 June 2019 is set out in Paragraph 6.1 of Schedule A of the Offeror's Letter.

As stated in Paragraph 2.1(a) of Schedule A of the Offeror's Letter, as at the Latest Practicable Date, there are 2,176.8 million Ascott Reit Units in issue.

On 30 July 2019, Ascott Reit announced its financial results for the six-month period ended 30 June 2019, which was reported on by the Ascott Reit Auditors and Ascott Reit IFA in accordance with Rule 25.6 of the Code. Such results, together with such reports, are set out in Schedules D, E and F of the Offeror's Letter. On 30 July 2019, Ascott Reit also announced the independent valuation conducted by HVS for the properties owned by Ascott Reit as of 30 June 2019 which in aggregate amounted to S\$4,811,260,390.

⁶ These figures include the development of lyf one-north Singapore.

⁷ References to "**Net asset value**" or "**Net tangible asset value**" of the Ascott Reit Group excludes funds represented by perpetual securities and non-controlling interest.

⁸ The valuations were carried out by Colliers International as at 31 December 2018 based on a discounted cash flow approach, which is in line with market practice.

⁹ Audited, save for information relating to "**Aggregate valuation of portfolio**" which is extracted from the Ascott Reit Manager's 2018 Full Year Unaudited Financial Statements Announcement on 29 January 2019.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

(b) The Ascott Reit Manager and Ascott BT Trustee-Manager

As stated in Paragraph 2.2 of the Offeror's Letter as set out in Appendix B to this Scheme Document, Ascott Reit is managed by the Ascott Reit Manager. The Ascott Reit Manager holds a Capital Market Services Licence for Real Estate Investment Trust Management pursuant to the SFA.

On 9 September 2019, Ascott Reit established a wholly-owned business trust, Ascott Business Trust, the Ascott BT. The trustee of Ascott BT is Ascott Business Trust Management Pte. Ltd. ("**Ascott BT Trustee-Manager**" and, together with the Ascott Reit Manager, the "**Ascott Reit-BT Managers**"). After the registration of Ascott BT as a registered business trust under the BTA, the trustee-manager of Ascott BT will be the Ascott BT Trustee-Manager.

Each Ascott Reit-BT Manager is a wholly-owned subsidiary of CapitaLand.

As at the Latest Practicable Date, the board of directors of the Ascott Reit Manager comprises the following persons:

- (i) Mr. Tan Beng Hai, Bob (Chairman and Non-Executive Independent Director);
- (ii) Ms. Beh Siew Kim (Chief Executive Officer and Executive Non-Independent Director);
- (iii) Mr. Zulkifli Bin Baharudin (Non-Executive Independent Director);
- (iv) Mr. Sim Juat Quee Michael Gabriel (Non-Executive Independent Director);
- (v) Ms. Elaine Carole Young (Non-Executive Independent Director);
- (vi) Mr. Lee Chee Koon (Non-Executive Non-Independent Director); and
- (vii) Mr. Lim Cho Pin Andrew Geoffrey (Non-Executive Non-Independent Director).

As at the Latest Practicable Date, the board of directors of the Ascott BT Trustee-Manager comprises Ms. Beh Siew Kim. On or prior to the registration of Ascott BT as a registered business trust under the BTA, the following persons shall be appointed on the board of directors of the Ascott BT Trustee-Manager, such that the boards of the Ascott Reit-BT Managers comprise the same persons: Mr. Tan Beng Hai, Bob, Mr. Zulkifli Bin Baharudin, Mr. Sim Juat Quee Michael Gabriel, Ms. Elaine Carole Young, Mr. Lee Chee Koon and Mr. Lim Cho Pin Andrew Geoffrey.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

The unitholding percentages of the CapitaLand Entities and the remaining Ascott Reit Unitholders and A-HTRUST Stapled Securityholders (as the case may be) as at the Latest Practicable Date in each of Ascott Reit, A-HTRUST and the Combined Entity are set out in Paragraph 6.5 of Schedule A of the Offeror's Letter.

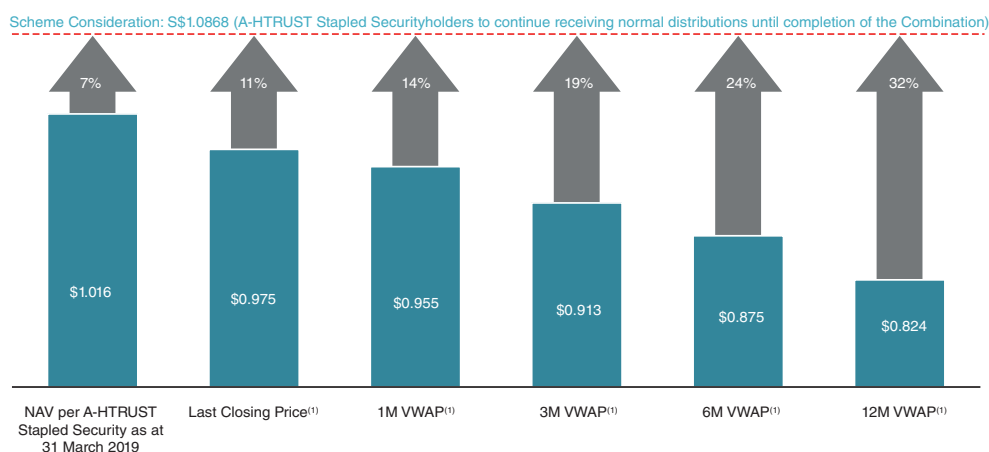
2.4 Rationale for the Combination and Future Plans for A-HTRUST

(a) The Rationale for the Combination

As a result of CapitaLand's acquisition of Ascendas Pte Ltd and Singbridge Pte. Ltd. which completed on 28 June 2019, the A-HTRUST Managers became wholly-owned subsidiaries of CapitaLand. The overlap between the investment mandates of the Ascott Reit Group and the A-HTRUST Group presented an opportunity for the A-HTRUST Managers to review options for the trust. The Combination is beneficial to the A-HTRUST Stapled Securityholders and the Ascott Reit Unitholders, and resolves the issue of overlapping mandates.

(i) Value Accretive to A-HTRUST Stapled Securityholders

The Scheme Consideration of S\$1.0868 represents a premium of approximately 7% over the NAV for each A-HTRUST Stapled Security as at 31 March 2019 and a premium of approximately 32% to A-HTRUST's last 12-month VWAP of S\$0.824 as at 2 July 2019. In addition, A-HTRUST Stapled Securityholders may have the opportunity to receive A-HTRUST Permitted Distributions in addition to the Scheme Consideration if and when declared by the A-HTRUST Managers.



Source: Bloomberg

Note:

- (1) The last closing price refers to the closing price of the A-HTRUST Stapled Security as at 2 July 2019. The VWAPs are with reference to the relevant periods up to and including 2 July 2019.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

In addition, the Scheme Consideration is higher than all closing prices of the A-HTRUST Stapled Securities since the initial public offering of A-HTRUST.

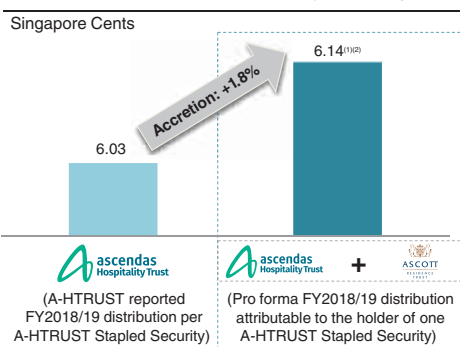
Historical A-HTRUST Stapled Security Price



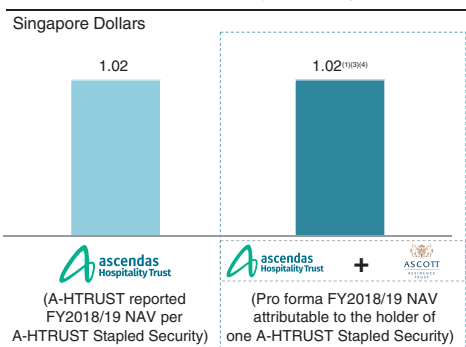
Source: Capital IQ as at 2 July 2019

Assuming that the Combination had been completed on 1 April 2018, the *pro forma* distribution attributable to the holder of one (1) A-HTRUST Stapled Security for the FY ended 31 March 2019 would have been 6.14 cents, which is approximately 1.8% higher than the distribution of 6.03 cents that was received during the same period. The Combination is expected to be NAV per A-HTRUST Stapled Security neutral assuming the premium over NAV of A-HTRUST is written off and excluding transaction costs.

Pro Forma Distribution Per A-HTRUST Stapled Security



Pro Forma NAV Per A-HTRUST Stapled Security



Notes:

- Calculations computed for illustrative purposes only – not a forward looking projection. Key assumptions in preparing the *pro forma* financial effects include: (a) A-HTRUST Stapled Securityholders to receive in aggregate S\$61.8 million cash and 902.8 million Ascott Reit-BT Stapled Units based on 1,136.7 million A-HTRUST Stapled Securities as at the Joint Announcement Date; (b) the *pro forma* financial effects are prepared based on the A-HTRUST FY2018/2019 Financial Statements and the Ascott Reit FY2018 Financial Statements; (c) the Combined Entity is to have a payout ratio in line with Ascott Reit's historical payout ratio of 100%. The S\$5.1 million of A-HTRUST's distributable income for the FY ended 31 March 2019, which A-HTRUST withheld for working capital purposes, is assumed to be distributed in full on a *pro forma* basis; the Combined Entity is to fund such distribution from existing cash balances; (d) the cash component and transaction expenses are funded through debt facilities; (e) the Ascott Reit Manager elects to waive 50% of its acquisition fee with respect to the Combination; and (f) the *pro forma* distribution per security is calculated by multiplying the Combined Entity's *pro forma* distribution per security by the exchange ratio of 0.836x which is derived from the audited NAV for each A-HTRUST Stapled Security as at 31 March 2019 of S\$1.02 divided by the audited NAV

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

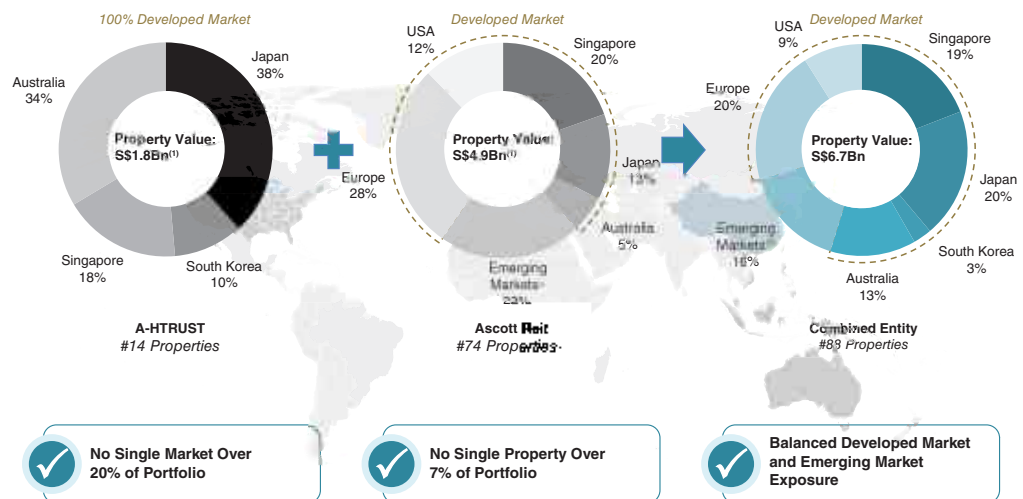
for each Ascott Reit Unit as at 31 December 2018 of S\$1.22 and assuming the Cash Consideration is reinvested in the Combined Entity at an issue price of S\$1.30 for each Ascott Reit-BT Stapled Unit.

- (2) Assumes transaction was completed on 1 April 2018.
- (3) Assumes transaction was completed on 31 March 2019.
- (4) Assumes write-off of premium over NAV and excluding transaction costs. Including transaction costs, *pro forma* NAV per A-HTRUST Stapled Security would have been S\$1.01 implying a dilution of 0.7%.

(ii) Enlarged and Diversified Portfolio to Enhance Resilience

The Combined Entity will have a combined portfolio comprising 88 properties with a total property value of approximately S\$6.7 billion as at 31 March 2019 for A-HTRUST and 31 December 2018 for Ascott Reit across 15 countries. The Combined Entity's portfolio will be well diversified, with no single market accounting for more than 20% of the total portfolio and no single property accounting for more than 7% of the total portfolio. This will minimise any concentration risk and reliance on any single asset or country.

Balanced Exposure of Developed / Emerging Markets



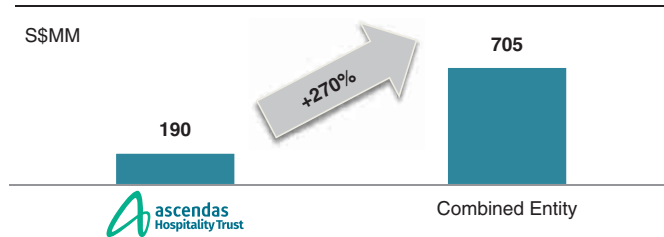
Notes:

- (1) As at 31 March 2019 for A-HTRUST and 31 December 2018 for Ascott Reit.
- (2) Includes 1 of one-north Singapore for Ascott Reit.
- (3) Emerging markets include China, Indonesia, Malaysia, the Philippines and Vietnam based on FTSE EPRA Nareit classification.

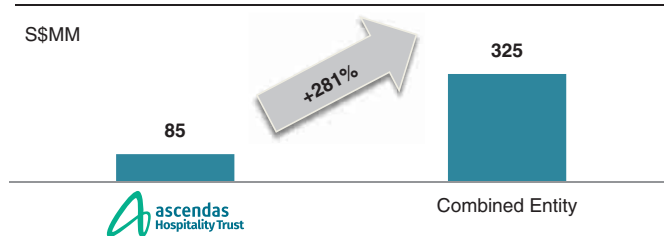
LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

A-HTRUST's portfolio mainly comprises hotel properties, while Ascott Reit's portfolio largely comprises serviced residences. The Combined Entity will benefit from diversification of property type and will have better resilience with the enlarged income base. The *pro forma* gross revenue for the Combined Entity is approximately S\$705 million and gross profit is approximately S\$325 million, an increase of approximately 270% and 281% from A-HTRUST's gross revenue and gross profit for the FY ended 31 March 2019, respectively.

Gross Revenue⁽¹⁾



Gross Profit⁽¹⁾



Note:

(1) Based on the A-HTRUST FY2018/2019 Financial Statements and the Ascott Reit FY2018 Financial Statements. Any discrepancies in the figures included herein between the individual amounts and total thereof are due to rounding.

Furthermore, the Combined Entity will also have the ability to leverage on the collection of trusted and well-known global hospitality brands under A-HTRUST and Ascott Reit, across short-stay properties (i.e. hotels) and long-stay properties (i.e. serviced residences and rental housing). The variety of brands will provide more options to the Combined Entity in catering to different customer segments.

Collection of Trusted and Well-Known Global Brands

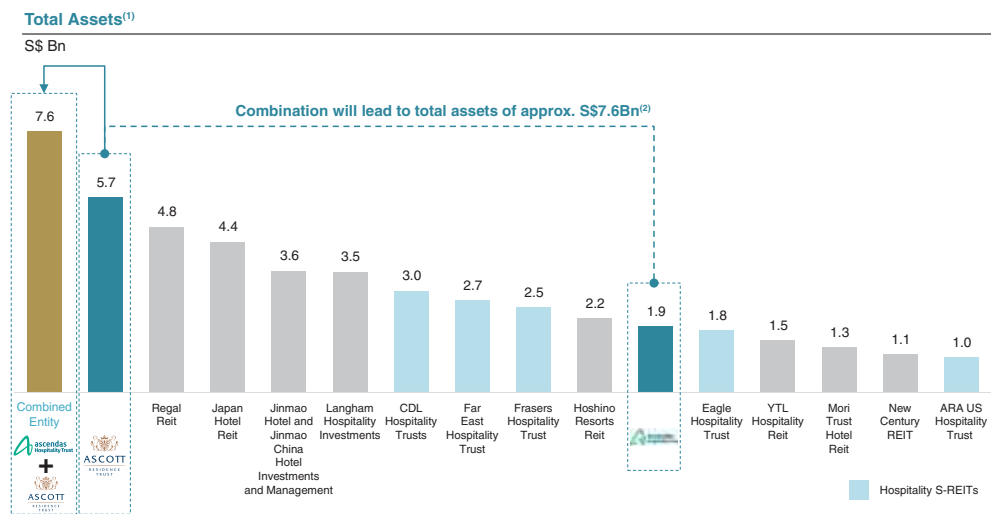
A-HTRUST	• Courtyard by Marriot	• Pullman
	• ibis	• Sotetsu Grand Fresa
	• Novotel	• Sunroute
	• Mercure	• The Splaisir
	• Park Hotel	• WBF
Ascott Reit	• Ascott The Residence	• lyf
	• Citadines Apart'hotel	• Quest Apartment Hotels
	• Citadines Connect	• Sheraton
	• DoubleTree by Hilton	• Somerset Serviced Residence
	• Element Hotels	• The Crest Collection

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

(iii) Participation in the Proxy Hospitality Trust in Asia Pacific

The Combination will result in a sizeable and liquid hospitality Singapore-listed Real Estate Investment Trust which is expected to benefit A-HTRUST Stapled Securityholders in the following manner:

- (A) the Combined Entity is expected to become the largest hospitality trust in Asia Pacific, with total assets increasing to approximately S\$7.6 billion and market capitalisation increasing to S\$4.0 billion, approximately 3.6 times A-HTRUST's market capitalisation as at 2 July 2019;

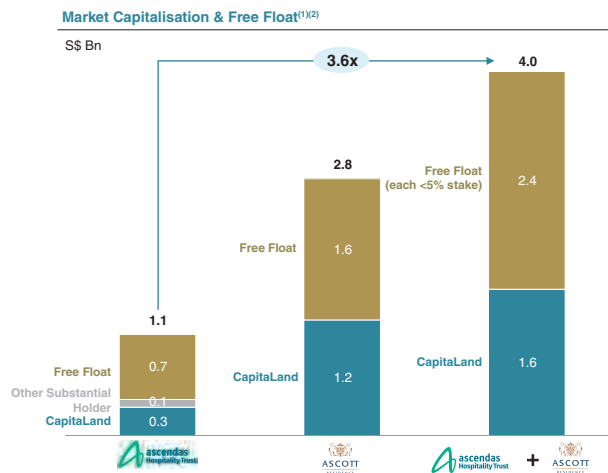


Source: Bloomberg

Notes:

- (1) Reflecting only pure-play hospitality trusts with total assets of at least S\$1.0 billion as at 28 June 2019. Assuming an exchange rate of S\$1 = US\$0.739 = HK\$5.771 = RMB5.077 = JPY79.61 = RM3.054 = A\$1.055 as at June 2019.
- (2) Based on the combined assets of the A-HTRUST Group and the Ascott Reit Group as at 31 March 2019.
- (B) the Combined Entity will benefit from a significant increase in market capitalisation and free float, which will potentially result in higher trading liquidity and path to index inclusion. This could lead to a positive re-rating and provide a more competitive cost of capital to the Combined Entity; and
- (C) the enlarged scale of the combined portfolio will enhance the visibility of the Combined Entity amongst the investment community. This would allow the Combined Entity to benefit from better access to competitive sources of capital and enjoy greater funding flexibility.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

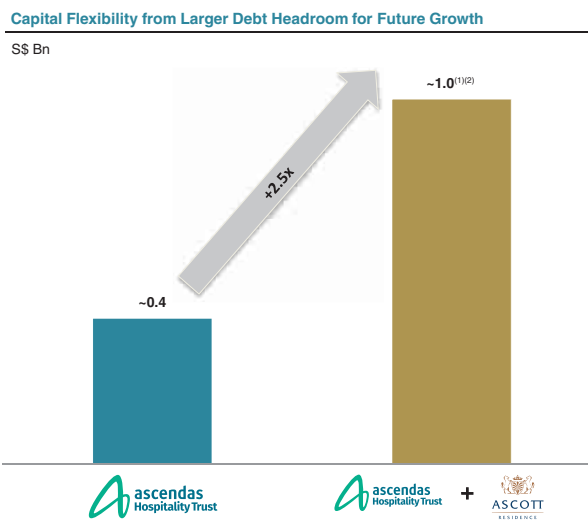


Notes:

- (1) As at 2 July 2019.
- (2) Combined Entity market capitalisation based on 3,086.3 million Ascott Reit-BT Stapled Units, using an issue price of S\$1.30 for each Ascott Reit-BT Stapled Unit issued as a Consideration Unit, and giving a free float of approximately 1,846.6 million Ascott Reit-BT Stapled Units (each <5% stake).

(iv) Increased Flexibility and Ability to Drive Growth

A-HTRUST Stapled Securityholders will benefit from the Combined Entity’s greater ability to pursue future growth both organically and inorganically. With a larger asset base, debt headroom is expected to increase 2.5 times from approximately S\$0.4 billion for A-HTRUST as at 31 March 2019 to a *pro forma* debt headroom of approximately S\$1.0 billion for the Combined Entity. With a larger capital base, the Combined Entity will be able to evaluate investment opportunities with greater speed and flexibility. In addition, the increased funding capacity will allow the Combined Entity to undertake more asset enhancement initiatives to deliver organic growth.



Notes:

- (1) Based on an aggregate leverage limit of 45% under the Property Funds Appendix.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

(2) Assumes transaction was completed on 31 March 2019. Computed based on the financial position of A-HTRUST and Ascott Reit as at 31 March 2019 and 31 December 2018 respectively and assumes that additional S\$85.1 million debt was drawn down to fund the cash component of the estimated total transaction costs.

(v) Benefit from TAL's Owner-Operator Hospitality Platform

With the completion of CapitaLand's acquisition of all the shares in each of Ascendas Pte Ltd and Singbridge Pte. Ltd. on 28 June 2019, CapitaLand effectively owns 28.0% of A-HTRUST through ALI. After the Combination, CapitaLand will effectively control 40.2% of the Combined Entity, with A-HTRUST REIT and A-HTRUST BT held as sub-trusts of the Ascott Reit Group. The Combination will result in the Combined Entity becoming the sole hospitality trust platform of CapitaLand.

As unitholders in the Combined Entity, the A-HTRUST Stapled Securityholders will benefit from CapitaLand being one of Asia's largest diversified real estate groups and from CapitaLand's wholly-owned subsidiary, TAL, one of the leading international lodging owner-operators, being the sponsor of the Combined Entity. The A-HTRUST Stapled Securityholders will be able to participate in the future upside of the Combined Entity through the following:

(A) ability to leverage TAL's global presence for portfolio expansion:

TAL is currently present in 175 cities across 32 countries, which is a much wider geographical presence compared to the geographical presence of each of Ascott Reit and A-HTRUST. In addition, Ascott Reit has been granted a right of first refusal by TAL of any sale of TAL's properties that are used, or predominantly used, as serviced residences or rental housing in Europe and the Pan-Asian region; and

(B) potential benefit from TAL's operating platforms and brands:

TAL is also a lodging operator of more than 106,000 units across the globe under various brands, including Ascott, Citadines, Somerset, Quest, The Crest Collection and Iyf. TAL's award-winning global brands provide guests with assurance of consistent quality service and experience across the properties. The wide range of brands is expected to expand the Combined Entity's hospitality portfolio and cater to the needs of various market segments.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

The Ascott Limited – One of the Leading International Lodging Owner – Operators



Wholly -owned by CapitaLand – one of Asia's largest diversified real estate groups	175 Cities across 32 Countries
>106,000 ⁽¹⁾ Units in >695 Properties	Award Winning Properties (46 Awards in 2018)

Potential Benefits from Ascott's Operating Platforms and Brands



- Ability to Leverage Ascott's Global Presence for Portfolio Expansion
- Combined Entity to be CapitaLand's Sole Hospitality Trust
- Access to Ascott Pipeline Properties via ROFR

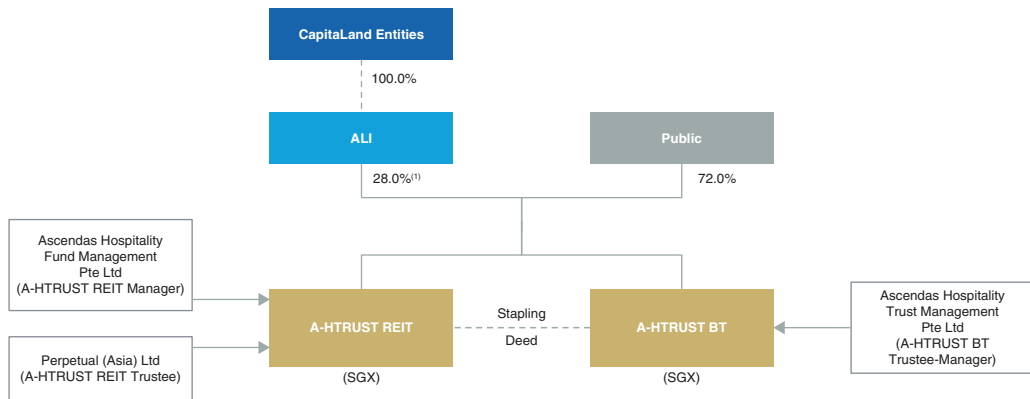
Note:

(1) As at 30 June 2019 and includes A-HTRUST.

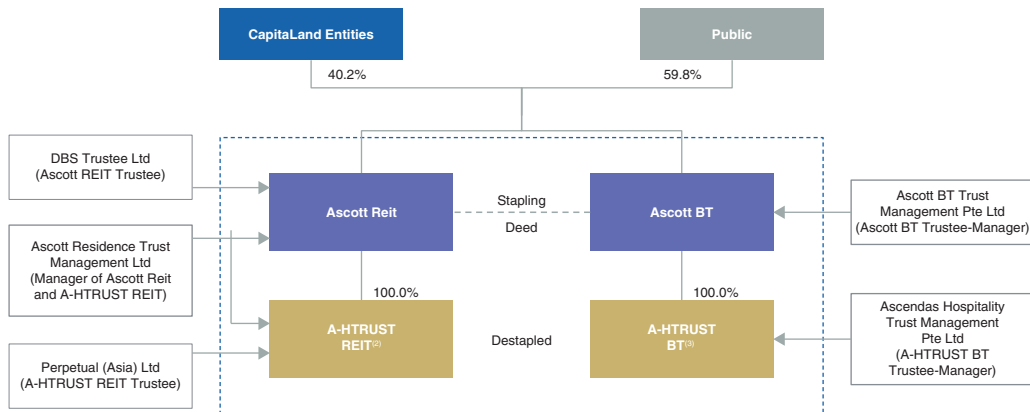
(b) Structure of A-HTRUST and the Combined Entity

The structure of A-HTRUST pre-Combination and the Combined Entity is set out as follows:

Pre-Combination Structure (A-HTRUST)



Post-Combination Structure



LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

Notes:

- (1) As at 2 July 2019.
- (2) A-HTRUST REIT will cease to exist as a real estate investment trust under the SFA and to be an authorised CIS constituted in Singapore.
- (3) A-HTRUST BT will cease to exist to be a registered business trust under the BTA.

(c) The Ascott Reit Manager's Intentions for A-HTRUST

As stated in Paragraph 6 of the Offeror's Letter as set out in Appendix B to this Scheme Document, the Ascott Reit Manager's intentions for A-HTRUST are as reproduced in italics below:

"With respect to the Combination:

- (a) **investment mandate:** *the present investment mandate of the Ascott Reit Group, as noted in **paragraph 2.1**, is to invest in real estate and real estate-related assets which are income-producing and which are used or predominantly used as, amongst other things, hospitality assets in any country in the world. This would encompass the present investment mandate of the A-HTRUST Group, which, as noted in **paragraph 3.1**, is similarly to invest in income-producing real estate used predominantly for hospitality purposes. Accordingly, the Ascott Reit Manager has no intention of expanding the investment mandate of Ascott Reit following the Combination, as it considers that there is no need to do so;*
- (b) **right of first refusal:** *after the Combination, the agreement in relation to the right of first refusal granted by ALI, as sponsor of A-HTRUST, in favour of the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager dated 9 July 2012 (as amended) ("**A-HTRUST ROFR**") pursuant to which ALI had granted a right of first refusal to A-HTRUST in the event ALI wishes to dispose of certain assets which are subject to the A-HTRUST ROFR, will be novated by ALI to TAL, such that TAL becomes the obligor under the A-HTRUST ROFR. As arrangements with respect to rights of first refusals of this nature are customarily given by the sponsor of a REIT or business trust, such novation would ensure that TAL, as sponsor of the Combined Entity, would be the obligor under the A-HTRUST ROFR.*

It should be noted that there are presently no assets which are subject to the A-HTRUST ROFR, nor does ALI have any present intention to acquire any such assets;

- (c) **fee structure:** *after the Combination, as A-HTRUST REIT and A-HTRUST BT will be wholly-owned, unlisted sub-trusts of Ascott Reit and Ascott BT, respectively, the A-HTRUST Trust Deeds will be amended to reflect provisions customary of a wholly-owned, unlisted sub-trust. In this regard, the fee structure of the A-HTRUST Group will be amended, such that fees which would otherwise have been payable to the A-HTRUST Managers (including base management fees, performance management fees, acquisition and divestment fees) will instead be payable to the Ascott Reit-BT Managers. Such fees are not materially different from the fee structure of the A-HTRUST Group as presently adopted and will, after the Combination, be based on the fee structure of the Ascott Reit Group presently adopted;*

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

- (d) **board of directors:** subject to further evaluation by the board of directors of the Ascott Reit Manager (“**Ascott Reit Board**”), the Ascott Reit Manager has no intention to amend the present constitution of the Ascott Reit Board pursuant to the Combination;
- (e) **trustee and trustee-manager:** each of the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager will remain as trustee of the unlisted A-HTRUST REIT and A-HTRUST BT, as the case may be, immediately upon completion of the Combination; and
- (f) **real estate investment trust manager:** on or about completion of the Combination, the A-HTRUST REIT Manager will retire as manager of A-HTRUST REIT and the Ascott Reit Manager will be appointed as the manager of the unlisted A-HTRUST REIT, in each case, in accordance with the terms of the A-HTRUST REIT Trust Deed, such that the Ascott Reit Manager has control over the management of all of the assets held by Ascott Reit (whether directly or indirectly).

Save as set out above, there is presently no intention to (i) introduce any major changes to the business of A-HTRUST, (ii) re-deploy the fixed assets of A-HTRUST or (iii) discontinue the employment of the employees of the A-HTRUST Group, in each case, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Combined Entity which may be implemented after the Combination.

The Ascott Reit Board and, after the Combination, the board of directors of the Ascott BT Trustee-Manager, each retains and reserves the right and flexibility at any time and from time to time to consider any options in relation to the Combined Entity which may present themselves and which they may regard to be in the interests of the Combined Entity.”

It is not contemplated that any new interested party transaction (including any new master lease) will be entered into with the Ascott Reit-BT Group, being the Combined Entity and its subsidiaries, in connection with the Combination. Following the Combination, the Ascott Reit Manager and the Ascott BT Trustee-Manager regularly conducts, or will regularly conduct, strategic reviews of, and consider, or will consider, various proposals in relation to, its business and operations with a view to maximising unitholder value. Certain reviews and proposals may be interested person transactions or may involve the entry into master leases. In considering and entering into such reviews and proposals, the Ascott Reit Manager and the Ascott BT Trustee-Manager will comply with its respective disclosure obligations in accordance with the Listing Manual and will make such announcements as may be appropriate from time to time.

(d) Fee Structure Comparison

A summary comparison table of the fees and charges payable to the (i) A-HTRUST Managers and A-HTRUST REIT Trustee; and (ii) post combination, the Ascott Reit Manager, Ascott Reit Trustee and the Ascott BT Trustee-Manager are set out below.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

Fees	A-HTRUST	Ascott Residence Trust (Post-Combination)
Base Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> 0.3% per annum of the value of the assets of the A-HTRUST REIT Group. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> 0.3% per annum of the value of the asset of the A-HTRUST BT Group. 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> 0.3% per annum of the property values (being the aggregate value of the real estate held by Ascott Reit). <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> 0.3% per annum of the property values (being the aggregate value of the real estate held by Ascott BT).
Performance Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> Since the initial public offering of A-HTRUST, the A-HTRUST REIT Manager has been receiving a performance fee of 4.0% per annum of the net property income for each financial year. No outperformance fee. 	<p><u>Ascott Reit</u></p> <p>Base performance fee:</p> <ul style="list-style-type: none"> 4.0% per annum of the Ascott Reit Group's share of gross profit for each financial year. <p>Outperformance fee:</p> <ul style="list-style-type: none"> In the event that the Ascott Reit Group's share of gross profit increases by more than 6.0% annually, 1.0% of the difference between the Ascott Reit Group's share of that financial year's gross profit and 106% of the preceding year's gross profit. For the avoidance of doubt, no outperformance fee will be charged unless the condition is satisfied.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

Fees	A-HTRUST	Ascott Residence Trust (Post-Combination)
	<p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> • Since the initial public offering of A-HTRUST, the A-HTRUST BT Trustee-Manager has been receiving a performance fee of 4.0% per annum of the net property income for each financial year. • No outperformance fee. 	<p><u>Ascott BT</u></p> <p>Base performance fee:</p> <ul style="list-style-type: none"> • 4.0% per annum of the Ascott BT Group's share of gross profit for each financial year. <p>Outperformance fee:</p> <ul style="list-style-type: none"> • In the event that the Ascott BT Group's share of gross profit increases by more than 6.0% annually, 1.0% of the difference between the Ascott BT Group's share of that financial year's gross profit and 106% of the preceding year's gross profit. For the avoidance of doubt, no outperformance fee will be charged unless the condition is satisfied.
Acquisition Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> • 1.0% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) purchased by the A-HTRUST REIT Manager on behalf of the A-HTRUST REIT, whether directly or indirectly through a special purpose vehicle or 1.0% of the acquisition price (plus any other payments in addition to the acquisition price made by the A-HTRUST REIT or its special purpose vehicle to the vendor in connection with the purchase of the real estate) of any authorised investment acquired by the A-HTRUST REIT Manager on behalf of the A-HTRUST REIT. 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> • 1.0% of the Enterprise Value (as defined in the Ascott Reit Trust Deed) of any real estate or real estate-related asset acquired directly or indirectly by Ascott Reit, prorated if applicable to the proportion of Ascott Reit's interest.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

Fees	A-HTRUST	Ascott Residence Trust (Post-Combination)
	<p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> 1.0% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) purchased by the A-HTRUST BT Trustee-Manager on behalf of the A-HTRUST BT, whether directly or indirectly through a special purpose vehicle, or 1.0% of the acquisition price (plus any other payments in addition to the acquisition price made by the A-HTRUST BT or its special purpose vehicle to the vendor in connection with the purchase of the real estate) of any authorised investment acquired by the A-HTRUST BT Trustee-Manager on behalf of the A-HTRUST BT. 	<p><u>Ascott BT</u></p> <ul style="list-style-type: none"> 1.0% of the Enterprise Value (as defined in the Ascott BT Trust Deed) of any real estate or real estate-related asset acquired directly or indirectly by Ascott BT, prorated if applicable to the proportion of Ascott BT's interest.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

Fees	A-HTRUST	Ascott Residence Trust (Post-Combination)
Divestment Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> 0.5% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) sold or divested by the A-HTRUST REIT Manager on behalf of the A-HTRUST REIT, whether directly or indirectly through a special purpose vehicle, or 0.5% of the sale price (plus any payments in addition to the sale price received by the A-HTRUST REIT or its special purpose vehicle from the purchaser in connection with the sale or divestment of the real estate) of any authorised investment sold or divested by the A-HTRUST REIT Manager on behalf of the A-HTRUST REIT. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> 0.5% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) sold or divested by the A-HTRUST BT Trustee-Manager on behalf of the A-HTRUST BT, whether directly or indirectly through a special purpose vehicle, or 0.5% of the sale price (plus any payments in addition to the sale price received by the A-HTRUST BT or its special purpose vehicle from the purchaser in connection with the sale or divestment of the real estate) of any authorised investment sold or divested by the A-HTRUST BT Trustee-Manager on behalf of the A-HTRUST BT. 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> 0.5% of the Enterprise Value (as defined in the Ascott Reit Trust Deed) of any real estate or real estate-related asset disposed directly or indirectly by Ascott Reit, prorated if applicable to the proportion of Ascott Reit's interest. <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> 0.5% of the Enterprise Value (as defined in the Ascott BT Trust Deed) of any real estate or real estate-related asset disposed directly or indirectly by Ascott BT, prorated if applicable to the proportion of Ascott BT's interest.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

Fees	A-HTRUST	Ascott Residence Trust (Post-Combination)
Development Management Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> 3.0% of the total project costs for projects involving the development of land, or buildings or part(s) thereof on land which is acquired, held or leased by A-HTRUST REIT. When the estimated total project costs is more than S\$200 million, the A-HTRUST REIT Trustee and independent directors of the A-HTRUST REIT Manager will first review and approve, and may also reduce, the quantum of the Development Management Fee. Since the initial public offering of A-HTRUST, A-HTRUST REIT has not paid any Development Management Fee. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> 3.0% of the total project costs for projects involving the development of land, or buildings or part(s) thereof on land which is acquired, held or leased by A-HTRUST BT. When the estimated total project costs is more than S\$200 million, the independent directors of the A-HTRUST BT Trustee-Manager will first review and approve, and may also reduce, the quantum of the Development Management Fee. Since the initial public offering of A-HTRUST, A-HTRUST BT has not paid any Development Management Fee. 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> No Development Management Fee. <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> No Development Management Fee.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

Fees	A-HTRUST	Ascott Residence Trust (Post-Combination)
Trustees' Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> A minimum amount of S\$13,500 per month or up to 0.015% per annum of the value of the property of the A-HTRUST REIT Group. Reimbursement of expenses incurred in the performance of its duties. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> A minimum amount of S\$13,500 per month or up to 0.015% per annum of the value of the property of the A-HTRUST BT Group. Reimbursement of expenses incurred in the performance of its duties. 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> Not exceeding 0.1% per annum of the value of the assets for the time being held or deemed to be held upon trust, subject to a minimum of S\$10,000 per month, excluding out-of-pocket expenses and goods and services tax which is borne by Ascott Reit. Reimbursement of expenses incurred in the performance of its duties. <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> Not exceeding 0.015% per annum of the value of the assets for the time being held or deemed to by held upon trust, subject to a minimum of S\$13,500 per month, excluding out-of-pocket expenses and goods and services tax which is borne by Ascott BT. Reimbursement of expenses incurred in the performance of its duties.
Changes to Fee Structure	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> By way of Extraordinary Resolution. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> By way of Extraordinary Resolution. 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> By way of extraordinary resolution. <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> By way of extraordinary resolution.

The summary should be read in conjunction with, and in the context of, the A-HTRUST Trust Deeds, the Ascott Reit Trust Deed, the Ascott BT Trust Deed and the Ascott Reit-BT Stapling Deed.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

(e) A-HTRUST Auditors Opinion

The A-HTRUST Managers and the A-HTRUST REIT Trustee have not commissioned any valuation of the properties held by Ascott Reit and its subsidiaries for the purpose of the A-HTRUST Scheme. However, the A-HTRUST Managers and A-HTRUST REIT Trustee have appointed the A-HTRUST Auditors to perform an audit of the carrying value of the serviced residence properties held by Ascott Reit and its subsidiaries as at 31 December 2018 (the “**805 Audit**”). A reciprocal arrangement was undertaken by Ascott Reit on the carrying value of the real properties held by A-HTRUST as at 31 March 2019.

The intention in carrying out such audit is to give additional comfort to A-HTRUST Stapled Securityholders that such carrying values were stated in all material respects in accordance with the accounting policies of Ascott Reit and that accordingly the serviced residence properties were stated at fair values as at 31 December 2018.

The audit was undertaken in accordance with the Singapore Standard on Auditing 805 (Revised) on Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement, on the line item titled “**serviced residence properties**” set out in the balance sheet of the Ascott Reit Group, as reflected in the Ascott Reit FY2018 Financial Statements.

Pursuant to the 805 Audit, the A-HTRUST Auditors have rendered an unqualified opinion.

Please refer to Appendix G to this Scheme Document for a copy of the A-HTRUST Auditors Opinion by the A-HTRUST Auditors.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

2.5 Combination Conditions

(a) Combination Conditions

The table below sets out the Combination Conditions to the A-HTRUST Scheme and the status of each Combination Condition.

(i) Unitholders' approvals

The following approvals set out in **Column (1)** from the Ascott Reit Unitholders and the A-HTRUST Stapled Securityholders (as the case may be) having been obtained, based on the approval threshold set out in **Column (2)**, and such approvals not having been cancelled, revoked, withdrawn or expired, on or prior to the Relevant Date:

No.	Column (1) – Approval	Column (2) – Approval Threshold	Status
Ascott Reit Unitholders			
(A)	<p>The approval by the Ascott Reit Unitholders to amend the Ascott Reit Trust Deed:</p> <ul style="list-style-type: none"> • to facilitate the implementation of the Ascott Reit Scheme; • as may be required or customary for the stapling of the Ascott Reit Units and the Ascott BT Units; and • to provide that the approval threshold for the issuance of Ascott Reit-BT Stapled Units by way of consideration pursuant to a transaction is by way of ordinary resolution, <p>at the Ascott Reit EGM to be convened.</p>	<p>Not less than 75% of the total number of votes held by the Ascott Reit Unitholders present and voting either in person or by proxy cast for and against the resolution.</p>	<p>× – to be sought pursuant to the Ascott Reit EGM.</p>

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

No.	Column (1) – Approval	Column (2) – Approval Threshold	Status
(B)	Subject to sub-paragraph (i)(A) having been approved, the approval by the Ascott Reit Unitholders for the Ascott Reit Scheme at the Ascott Reit Scheme Meeting to be convened.	Not less than a majority in number of the Ascott Reit Unitholders representing at least 75% in value of the Ascott Reit Units held by the Ascott Reit Unitholders present and voting either in person or by proxy cast for and against the resolution.	× – to be sought pursuant to the Ascott Reit Scheme Meeting.
(C)	Subject to sub-paragraphs (i)(A) and (i)(B) having been approved, the approval by the Ascott Reit Unitholders for the Ascott Reit Acquisition at the Ascott Reit EGM to be convened.	More than 50% of the Ascott Reit Unitholders present and voting either in person or by proxy cast for and against the resolution.	× – to be sought pursuant to the Ascott Reit EGM.
(D)	Subject to sub-paragraphs (i)(A), (i)(B) and (i)(C) having been approved, the approval by the Ascott Reit Unitholders for the issuance of the Consideration Units at the Ascott Reit EGM to be convened.	More than 50% of the Ascott Reit Unitholders present and voting either in person or by proxy cast for and against the resolution.	× – to be sought pursuant to the Ascott Reit EGM.
A-HTRUST Stapled Securityholders			
(E)	The approval by the A-HTRUST Stapled Securityholders for the A-HTRUST Trust Deeds Amendments.	Not less than 75% of the total number of votes held by the A-HTRUST Stapled Securityholders present and voting either in person or by proxy cast for and against the resolution.	× – to be sought pursuant to the Extraordinary General Meeting.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

No.	Column (1) – Approval	Column (2) – Approval Threshold	Status
(F)	Subject to sub-paragraph (i)(E) being approved, the approval by the A-HTRUST Stapled Securityholders for the A-HTRUST Scheme at the Scheme Meeting to be convened.	Not less than a majority in number of the A-HTRUST Stapled Securityholders representing at least 75% in value of the A-HTRUST Stapled Securities held by the A-HTRUST Stapled Securityholders present and voting either in person or by proxy cast for and against the resolution.	× – to be sought pursuant to the Scheme Meeting.
Ascott Reit Unitholders and A-HTRUST Stapled Securityholders			
(G)	The approval by the Ascott Reit Unitholders or the A-HTRUST Stapled Securityholders, as the case may be, as are necessary or required pursuant to applicable laws (including the Code, the Listing Manual, the Property Funds Appendix and the BTA) or by a Court, the SIC, the MAS, the SGX-ST or any other governmental authority, for or in respect of the implementation of the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition and the A-HTRUST Scheme and the transactions contemplated under the Implementation Agreement.		Not applicable.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

(ii) Regulatory approvals

The following regulatory approvals having been obtained, and such approvals not having been cancelled, revoked, withdrawn or expired on or prior to the Relevant Date:

No.	Combination Condition	Status
(A)	confirmations or exemptions from the MAS that:	
	(1) (x) the Combination will not require two (2) independent valuations of the real estate assets of A-HTRUST, with one (1) of the valuers commissioned independently by the Ascott Reit Trustee; and (y) the consideration to be paid by the Ascott Reit Trustee to the A-HTRUST Stapled Securityholders need not be at a price not more than the higher of the aggregate of the assessed values of the real estate assets of A-HTRUST undertaken by each of the two (2) independent valuers;	√ – satisfied.
	(2) in the event the Combination is implemented, the MAS would have no objection to the withdrawal of the authorisation of the A-HTRUST REIT as an authorised collective investment scheme, and the A-HTRUST REIT as a private sub-trust would no longer be subject to the requirements governing collective investment schemes;	√ – satisfied.
	(3) in the event the authorisation of the A-HTRUST REIT as an authorised collective investment scheme is withdrawn pursuant to Section 337 of the SFA, the MAS would have no objections to granting the A-HTRUST REIT an exemption from Section 295(2) of the SFA;	× – in the process of seeking approval.
	(4) the MAS would grant an exemption from compliance with the requirements set out in Subdivision (3) of Division 2 (Collective Investment Schemes) of Part XIII (Offers of Investments) of the SFA, which relates to prospectus requirements, for the purposes of the A-HTRUST Scheme;	√ – satisfied.

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No.	Combination Condition	Status
	<p>(5) the MAS would grant an exemption from the requirement, while the Ascott Reit is stapled to the Ascott BT, for the directors of the Ascott BT Trustee-Manager to be independent under Regulations 12(1)(a) and 12(1)(b) of the Business Trust Regulations; and</p>	<p>✓ – satisfied. On 13 August 2019, the MAS granted an exemption to the Ascott BT Trustee-Manager from compliance with Regulations 12(1)(a) and 12(1)(b) of the Business Trust Regulations to the extent that the non-compliance with Regulations 12(1)(a) and 12(1)(b) of the Business Trust Regulations is due to any director of the Ascott BT Trustee-Manager being considered to be not independent from management and business relationships with the Ascott BT Trustee-Manager or from every substantial shareholder of the Ascott BT Trustee-Manager solely by virtue of such director of the Ascott BT Trustee-Manager also being a director of the Ascott Reit Manager. For the avoidance of doubt, a director of the Ascott BT Trustee-Manager shall not be considered independent from a substantial shareholder if he is also a director of a subsidiary or an associated company of the substantial shareholder (where the subsidiary or associated company is not the Ascott BT Trustee-Manager or the Ascott Reit Manager), such exemption to take effect from such date on which Ascott BT is registered by the MAS under Section 4(1) of the BTA and being subject to the following conditions:</p> <ul style="list-style-type: none"> • the Ascott BT Trustee-Manager shall ensure that the Ascott BT Units remain stapled to the Ascott Reit Units;

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No.	Combination Condition	Status
		<ul style="list-style-type: none"> • the Ascott BT Trustee-Manager shall ensure that the Ascott Reit-BT Stapling Deed shall contain covenants binding the Ascott BT Trustee-Manager and the Ascott Reit Manager to exercise all due diligence and vigilance to safeguard the rights and interests of the Ascott Reit-BT Stapled Unitholders in the event of a conflict between the interests of the Ascott BT Trustee-Manager and the Ascott Reit Manager and their respective unitholders, and that of the Ascott Reit-BT Stapled Unitholders; and • such exemption and conditions are disclosed in the Ascott Reit Composite Document and this Scheme Document.
	(6) while each Ascott Reit Unit is stapled to one (1) Ascott BT Unit:	
	(x) the duty imposed on the Ascott Reit Manager under Section 286(10A)(a) of the SFA (and the corresponding duty imposed on the directors of the Ascott Reit Manager under Section 286(10B)(a) of the SFA) to act in the best interests of the Ascott Reit Unitholders; and	<p>✓ – satisfied. On 13 August 2019, the MAS granted an exemption to:</p> <ul style="list-style-type: none"> • the Ascott Reit Manager from compliance with Section 286(10A)(a) of the SFA to the extent that Section 286(10A)(a) requires the Ascott Reit Manager to act in the best interests of all the Ascott Reit Unitholders as a whole only; and

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No.	Combination Condition	Status
		<ul style="list-style-type: none"> • the Ascott Reit Directors from compliance with Section 286(10B)(a) of the SFA to the extent that Section 286(10B)(a) requires the Ascott Reit Directors to take all reasonable steps to ensure that the Ascott Reit Manager discharges its duties under Section 286(10A)(a) to act in the best interests of all the Ascott Reit Unitholders as a whole only, <p>in each case, subject to the following conditions:</p> <ul style="list-style-type: none"> • the Ascott Reit Manager shall ensure that the Ascott Reit Units remain stapled to the Ascott BT Units; • the Ascott Reit Manager and the Ascott Reit Directors shall act in the best interests of all the Ascott Reit-BT Stapled Unitholders as a whole; and • such exemption and conditions are disclosed in the Ascott Reit Composite Document and this Scheme Document.

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No.	Combination Condition	Status
	<p>(y) the duty imposed on the Ascott BT Trustee-Manager under Section 10(2)(a) of the BTA (and the corresponding duty imposed on the directors of the Ascott BT Trustee-Manager under Section 11(1)(a) of the BTA) to act in the best interests of the holders of Ascott BT Units,</p>	<p>✓ – satisfied. On 13 August 2019, the MAS granted an exemption to:</p> <ul style="list-style-type: none"> • the Ascott BT Trustee-Manager from compliance with Section 10(2)(a) of the BTA to the extent that Section 10(2)(a) requires the Ascott BT Trustee-Manager to act in the best interests of all the Ascott BT Unitholders as a whole only; and • the directors of the Ascott BT Trustee-Manager from compliance with Section 11(1)(a) of the BTA to the extent that Section 11(1)(a) requires the Ascott BT Trustee-Manager to take all reasonable steps to ensure that the Ascott BT Trustee-Manager discharges its duty under Section 10(2)(a) to act in the best interests of all the Ascott BT Unitholders as a whole only, <p>such exemption to take effect from such date on which Ascott BT is registered by the MAS under Section 4(1) of the BTA and being subject to the following conditions:</p> <ul style="list-style-type: none"> • the Ascott BT Trustee-Manager shall ensure that the Ascott BT Units remain stapled to the Ascott Reit Units;

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No.	Combination Condition	Status
		<ul style="list-style-type: none"> • the Ascott BT Trustee-Manager and the directors of the Ascott BT Trustee-Manager shall act in the best interests of all the Ascott Reit-BT Stapled Unitholders as a whole; and • such exemption and conditions are disclosed in the Ascott Reit Composite Document and this Scheme Document.
	may be superseded by an overriding duty to act in the best interests of the A-HTRUST Stapled Securityholders as a whole;	
(B)	confirmations from the SIC that:	
	(1) Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on Rule 19 of the Code do not apply to the A-HTRUST Scheme, subject to any conditions that the SIC may deem fit to impose;	✓ – satisfied.
	(2) the SIC has no objections to the Combination Conditions;	✓ – satisfied.
	(3) that the declaration, making and payment of the A-HTRUST Permitted Distributions, if any, will not be a breach by the A-HTRUST Managers of Note 3 to Rule 5 of the Code;	✓ – satisfied.
	(4) that the SIC has no objections to certain limited scope of proposed disclosures with respect to securityholding in A-HTRUST in the interests of confidentiality;	✓ – satisfied.
	(5) that only the Ascott Reit Directors (not the directors of CapitaLand) would be required to provide responsibility statements in respect of any documents issued in connection with the Combination, and that the financial information required to be presented under Rule 23.4 of the Code be limited to that of the Ascott Reit Group (and not CapitaLand and its subsidiaries and sub-trusts);	✓ – satisfied.

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No.	Combination Condition	Status
	(6) that, with respect to Ascott Reit, Rule 11.3 of the Code, and with respect to A-HTRUST, Rule 5 of the Code, be waived, and the Ascott Reit Manager or the A-HTRUST Managers (as the case may be) be permitted to elect to receive a portion of its fees (which may include base management fees, performance management fees, acquisition fees and divestment fees) in Ascott Reit Units or A-HTRUST Stapled Securities (as the case may be), if any such fees are due to be paid during the offer period with respect to the A-HTRUST Scheme; and	✓ – satisfied.
	(7) the SIC has no objections to the Break Fee;	✓ – satisfied.
(C)	the grant of:	
	(1) the order of the Court sanctioning the Ascott Reit Scheme; and	× – the order of the Court sanctioning the Ascott Reit Scheme is targeted to be obtained on or about 11 November 2019.
	(2) the A-HTRUST Scheme Court Order;	× – A-HTRUST Scheme Court Order is targeted to be obtained on or about 11 November 2019.
(D)	the approval-in-principle from the SGX-ST for:	
	(1) the Ascott Reit Composite Document;	✓ – satisfied.
	(2) this Scheme Document;	✓ – satisfied.
	(3) the proposed delisting of A-HTRUST from the SGX-ST after the A-HTRUST Scheme becomes effective and binding in accordance with its terms;	× – the approval-in-principle from the SGX-ST for the proposed delisting of A-HTRUST from the SGX-ST is targeted to be obtained in December 2019.
	(4) the listing and quotation of the Ascott Reit-BT Stapled Units; and	✓ – satisfied.
	(5) the listing and quotation of the Consideration Units; and	✓ – satisfied.

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No.	Combination Condition	Status
(E)	the Treasurer of the Commonwealth of Australia (or his delegate):	
	(1) provides written notice that there are no objections under the Foreign Acquisitions and Takeovers Act 1975 (Cth) of Australia (" FATA ") to the Combination (whether conditionally or unconditionally); or	x – in the process of seeking approval.
	(2) becomes precluded by passage of time from making any order or decision under Division 2 of Part 3 of the FATA in respect of the Combination.	x – in the process of seeking approval.

(iii) Tax approvals

The following approvals from the following tax authorities, and such approvals not having been cancelled, revoked, withdrawn or expired on or prior to the Relevant Date:

No.	Combination Condition	Status
(A)	confirmation from the Inland Revenue Authority of Singapore (" IRAS ") (Comptroller of Stamp Duties) that stamp duty is not chargeable on the transfer of the A-HTRUST REIT Units and the A-HTRUST BT Units to Ascott Reit and Ascott BT, respectively;	x – in the process of seeking approval.
(B)	a tax ruling from the IRAS (Comptroller of Income Tax) that A-HTRUST REIT will be an approved sub-trust and enjoy tax transparency; and	✓ – satisfied.
(C)	in respect of Australia:	
	(1) a private ruling issued by the State Revenue Authority of New South Wales, Australia, that landholder duty applicable on the Ascott Reit Acquisition will be charged at the concessional rate based on the aggregate market value of A-HTRUST BT's landholdings located in New South Wales, Australia; and	x – in the process of seeking approval.

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No.	Combination Condition	Status
	(2) a variation issued by the Australian Tax Office pursuant to section 14-235 of Schedule 1 to the Taxation Administration Act 1953 (Cth) of Australia (" TAA "), which varies the rate of withholding tax required under section 14-200 of Schedule 1 to the TAA to nil with respect to the A-HTRUST BT Units held by any A-HTRUST Stapled Securityholder which holds 10% (on an associate inclusive basis, for the purposes of the Australian tax legislation) or more of all the A-HTRUST BT Units as at the Joint Announcement Date, to the extent that the Scheme Consideration received by such A-HTRUST Stapled Securityholder for such A-HTRUST BT Units constitutes Ascott BT Units.	✓ – satisfied.

(iv) No Legal or Regulatory Restraint

Combination Condition	Status
Between the Joint Announcement Date and up to the Relevant Date (both inclusive), there having been no decree, determination, injunction, judgment or other order (in each case, whether temporary, preliminary or permanent) issued by any court of competent jurisdiction or by any governmental authority which has the effect of enjoining, restraining or otherwise prohibiting the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition or the A-HTRUST Scheme or any part thereof, and which remains in force and effect as at the Relevant Date.	Not applicable – as this Combination Condition refers to the absence (not the satisfaction) of things.

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(v) No Prescribed Occurrence

No.	Combination Condition	Status
	Between the Joint Announcement Date and up to the Relevant Date (both inclusive):	
(A)	there having been no Ascott Reit Prescribed Occurrence, other than as required or contemplated by the Implementation Agreement, the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition or the A-HTRUST Scheme or save to the extent disclosed to the Parties; and	Not applicable – as this Combination Condition refers to the absence (not the satisfaction) of things.
(B)	there having been no A-HTRUST Prescribed Occurrence, other than as required or contemplated by the Implementation Agreement, the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition or the A-HTRUST Scheme or save to the extent disclosed to the Parties.	Not applicable – as this Combination Condition refers to the absence (not the satisfaction) of things.

(vi) No Breach of Warranties and Covenants

No.	Combination Condition	Status
	With respect to:	
(A)	Ascott Reit:	
	(1) there having been no breach of the Ascott Reit Warranties which are material in the context of the Combination as at the Joint Announcement Date and as at the Relevant Date (as though made on and as at that date), except to the extent any such warranty expressly relates to an earlier date (in which case, as of such earlier date); and	Not applicable – as this Combination Condition refers to the absence (not the satisfaction) of things.
	(2) the Ascott Reit Manager having in all material respects performed and complied with the Ascott Reit Material Covenants which are required to be performed or complied with by it on or prior to the Relevant Date; and	Not applicable – as this Combination Condition refers to the absence (not the satisfaction) of things.

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No.	Combination Condition	Status
(B)	A-HTRUST:	
	(1) there having been no breach of the A-HTRUST Warranties which are material in the context of the Combination as at the Joint Announcement Date and as at the Relevant Date (as though made on and as at that date), except to the extent any such warranty expressly relates to an earlier date (in which case, as of such earlier date); and	Not applicable – as this Combination Condition refers to the absence (not the satisfaction) of things.
	(2) the A-HTRUST Managers having in all material respects performed and complied with the A-HTRUST Material Covenants which are required to be performed or complied with by it on or prior to the Relevant Date.	Not applicable – as this Combination Condition refers to the absence (not the satisfaction) of things.

(vii) No Material Adverse Effect.

No.	Combination Condition	Status
	There having been:	
(A)	no occurrence of any one or more fact, matter, event, circumstance, condition, effect, occurrence or change which, whether individually or in the aggregate, has or have the effect of causing a diminution in the consolidated net tangible assets of the Ascott Reit Group by more than 10% as compared with the consolidated net tangible assets of the Ascott Reit Group of S\$2,644.1 million as at 31 December 2018 as stated in the Ascott Reit FY2018 Financial Statements (“ Ascott Reit Material Adverse Effect ”) from the Joint Announcement Date up to the Relevant Date (both inclusive); and	Not applicable – as this Combination Condition refers to the absence (not the satisfaction) of things.

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No.	Combination Condition	Status
(B)	no occurrence of any one or more fact, matter, event, circumstance, condition, effect, occurrence or change which, whether individually or in the aggregate, has or have the effect of causing a diminution in the consolidated net tangible assets of the A-HTRUST Group by more than 10% as compared with the consolidated net tangible assets of the A-HTRUST Group of S\$1,153.6 million as at 31 March 2019 as stated in the A-HTRUST FY2018/2019 Financial Statements (<u>A-HTRUST Material Adverse Effect</u>) from the Joint Announcement Date up to the Relevant Date (both inclusive).	Not applicable – as this Combination Condition refers to the absence (not the satisfaction) of things.

If each of the Combination Conditions is satisfied or, as the case may be, has been waived in accordance with the terms of the Implementation Agreement, the A-HTRUST Scheme will come into effect within 10 Business Days from the date that the last of the Combination Conditions set out in Paragraphs 2.5(a)(i), 2.5(a)(ii) and 2.5(a)(iii) has been satisfied or waived and provided that the Combination Conditions set out in Paragraphs 2.5(a)(iv), 2.5(a)(v), 2.5(a)(vi) and 2.5(a)(vii) have been satisfied or waived on the Relevant Date.

(b) Benefit of Combination Conditions

(i) The Ascott Reit Manager's Benefit

The Ascott Reit Manager alone may waive the Combination Conditions in Paragraph 2.5(a)(v)(B) (in relation to any A-HTRUST Prescribed Occurrence) and Paragraphs 2.5(a)(ii)(A), 2.5(a)(ii)(B) (save with respect to those matters relating to A-HTRUST set out in 2.5(a)(ii)(B)(3) and 2.5(a)(ii)(B)(6)), 2.5(a)(vi)(B) and 2.5(a)(vii)(B).

(ii) The A-HTRUST Managers' Benefit

The A-HTRUST Managers alone may waive the Combination Conditions in Paragraph 2.5(a)(v)(A) (in relation to any Ascott Reit Prescribed Occurrence) and Paragraphs 2.5(a)(ii)(B) (with respect to those matters relating to A-HTRUST set out in 2.5(a)(ii)(B)(3) and 2.5(a)(ii)(B)(6)), 2.5(a)(vi)(A) and 2.5(a)(vii)(A).

(iii) Parties' Benefit

The Parties agree that the Combination Conditions set out in Paragraphs 2.5(a)(i), 2.5(a)(ii)(C), 2.5(a)(ii)(D) and 2.5(a)(ii)(E) are not capable of being waived by any or all of the Parties and the Combination Conditions set out in Paragraphs 2.5(a)(iii) and 2.5(a)(iv) are capable of being waived by all of the Parties jointly.

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2.6 Effective Date

The A-HTRUST Scheme will become effective upon the lodgement of the A-HTRUST Scheme Court Order with the MAS or the notification to the MAS of the grant of the A-HTRUST Scheme Court Order, as the case may be, which shall be effected by the A-HTRUST Managers:

- (a) within 10 Business Days from the date that the last of the Combination Conditions set out in Paragraphs 2.5(a)(i), 2.5(a)(ii) and 2.5(a)(iii) is satisfied or waived, as the case may be, in accordance with the terms of the Implementation Agreement; and
- (b) provided that the Combination Conditions set out in Paragraphs 2.5(a)(iv), 2.5(a)(v), 2.5(a)(vi) and 2.5(a)(vii) are satisfied or waived on the Relevant Date, as the case may be, in accordance with the terms of the Implementation Agreement.

2.7 Termination of the A-HTRUST Scheme

(a) Right to Terminate

The Implementation Agreement may be terminated at any time from the date of the Implementation Agreement up to and including the Business Day immediately preceding the Effective Date if any of the following occurs:

- (i) (A) **Regulatory Action.** By any party to the Implementation Agreement, if there has been a decree, determination, injunction, judgment or other order (which is final and non-appealable) issued by any court of competent jurisdiction or by any Governmental Authority which has the effect of permanently enjoining, restraining or otherwise prohibiting the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition or the A-HTRUST Scheme, or any part thereof;
- (B) **Breach of the Ascott Reit Warranties.** By either the A-HTRUST REIT Trustee or any A-HTRUST Manager, if there is a breach of the Ascott Reit Warranties which are material in the context of the Combination and the Ascott Reit Trustee or the Ascott Reit Manager fails to remedy such breach (if capable of remedy) within 14 days after being given notice by the A-HTRUST REIT Trustee or any A-HTRUST Manager to do so;
- (C) **Failure to comply with Ascott Reit Material Covenants.** By either the A-HTRUST REIT Trustee or any A-HTRUST Manager, if the Ascott Reit Manager fails to perform and comply in all material respects with the Ascott Reit Material Covenants which are required to be performed or complied with by it on or prior to the Relevant Date;
- (D) **Breach of A-HTRUST Warranties.** By either the Ascott Reit Trustee or the Ascott Reit Manager, if there is a breach of the A-HTRUST Warranties which are material in the context of the Combination and the A-HTRUST REIT Trustee or any A-HTRUST Manager fails to remedy such breach (if capable of remedy) within 14 days after being given notice by the Ascott Reit Trustee or the Ascott Reit Manager to do so;

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- (E) **Failure to comply with A-HTRUST Material Covenants.** By either the Ascott Reit Trustee or the Ascott Reit Manager, if the A-HTRUST REIT Trustee or any A-HTRUST Manager fails to perform and comply in all material respects with the A-HTRUST Material Covenants which are required to be performed or complied with by it on or prior to the Relevant Date;
- (F) **Occurrence of an Ascott Reit Material Adverse Effect.** By the A-HTRUST Trustee or any A-HTRUST Manager, if there has been an occurrence of an Ascott Reit Material Adverse Effect; or
- (G) **Occurrence of an A-HTRUST Material Adverse Effect.** By the Ascott Reit Trustee or the Ascott Reit Manager, if there has been an occurrence of an A-HTRUST Material Adverse Effect,

in each case, by the relevant Party or Parties stated above as having the right to terminate the Implementation Agreement for the non-satisfaction of the relevant Combination Condition to which such matters relate.

Any termination of the Implementation Agreement is subject to the approval of the SIC and written notice being given by the relevant Party to the other Parties.

(ii) Non-satisfaction of Combination Conditions

Notwithstanding anything contained in the Implementation Agreement, the Implementation Agreement may be terminated by the relevant Party if any of the Combination Conditions set out in:

- (A) Paragraph 2.5(a)(i), 2.5(a)(ii) or 2.5(a)(iii) has not been satisfied (or, where applicable, has not been waived) by 11.59 p.m. on the Long-Stop Date and the non-satisfaction of such Combination Condition is material in the context of the Combination; or
- (B) Paragraph 2.5(a)(iv), 2.5(a)(v), 2.5(a)(vi) or 2.5(a)(vii) is not satisfied (or, where applicable, has not been waived) on the Relevant Date and the non-satisfaction of such Combination Condition is material in the context of the Combination,

provided that:

- (1) in the event of non-satisfaction of any Combination Condition, the relevant Party shall only rely on such non-satisfaction of such Combination Condition to terminate the Implementation Agreement with the prior consultation of the SIC and subject to the SIC giving its approval for, and stating that it has no objection to, such termination; and
- (2) the Party seeking to terminate the Implementation Agreement shall provide written notice to all the other Parties to terminate the Implementation Agreement (other than the Surviving Provisions) promptly upon the SIC stating that it has no objection to such termination.

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(b) Consultation with Other Parties

In the event any Party intends to consult with the SIC in relation to the termination of the Implementation Agreement, it shall give prior written notice of such intention to the other Parties.

(c) Effect of Termination

(i) Upon the termination of the Implementation Agreement, no Party shall have a claim against any other Party except for claims (A) arising from any breaches on or prior to such termination, (B) arising from any breaches in relation to the Surviving Provisions after such termination or (C) in relation to the Break Fee or the Reverse Break Fee, as the case may be, and in each case without prejudice to the rights of the Parties to seek specific performance or other equitable remedies.

(ii) Notwithstanding anything in the Implementation Agreement:

(A) the maximum liability of the Ascott Reit Trustee and the Ascott Reit Manager, in aggregate, to the A-HTRUST REIT Trustee and the A-HTRUST Managers, in aggregate, under or in connection with the Implementation Agreement and the Ascott Reit Composite Document, including in respect of any breach of the Implementation Agreement or the Ascott Reit Composite Document, shall be the amount of the Reverse Break Fee; and

(B) the maximum liability of the A-HTRUST REIT Trustee and the A-HTRUST Managers, in aggregate, to the Ascott Reit Trustee and the Ascott Reit Manager, in aggregate, under or in connection with the Implementation Agreement and this Scheme Document, including in respect of any breach of the Implementation Agreement or the Scheme Document, shall be the amount of the Break Fee.

2.8 Break Fee and Reverse Break Fee

(a) Break Fee

Pursuant to the terms of the Implementation Agreement:

(i) The A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager agree (jointly, and not jointly and severally or severally) to pay the Break Fee of S\$12,350,000 to the Ascott Reit Trustee (without withholding or set-off):

(A) if the Implementation Agreement is terminated by either the Ascott Reit Trustee or the Ascott Reit Manager, on the one hand, or the A-HTRUST REIT Trustee or any A-HTRUST Manager, on the other hand, upon the occurrence of an A-HTRUST Termination Event, provided always that in the case of an A-HTRUST Termination Event that arises by reason of an A-HTRUST Superior Competing Offer, such payment of the Break Fee shall only be made in the event that the A-HTRUST Superior Competing Offer results in at least a majority of the A-HTRUST Stapled Securities being held

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by a Person and its concert parties (other than the Ascott Reit Trustee or the Ascott Reit Manager) at the completion of the A-HTRUST Superior Competing Offer; or

(B) if the Implementation Agreement is terminated by the Ascott Reit Trustee or the Ascott Reit Manager in the event of a breach or non-compliance by the A-HTRUST Managers of certain specified obligations agreed to by the Parties.

(ii) The obligation to pay the Break Fee as described in this Paragraph 2.8(a) shall survive termination of the Implementation Agreement such that the Ascott Reit Trustee may give the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager a demand for payment of the Break Fee even if the Implementation Agreement has been terminated, provided that the trigger for the Break Fee as set out in Paragraph 2.8(a)(i) above had occurred prior to the termination of the Implementation Agreement.

(b) Reverse Break Fee

Pursuant to the terms of the Implementation Agreement:

(i) The Ascott Reit Trustee agrees to pay the Reverse Break Fee of S\$12,350,000 (in aggregate) to the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager (without withholding or set-off):

(A) if the Implementation Agreement is terminated by either the Ascott Reit Trustee or the Ascott Reit Manager, on the one hand, or the A-HTRUST REIT Trustee or any A-HTRUST Manager, on the other hand, upon the occurrence of an Ascott Reit Termination Event; or

(B) if the Implementation Agreement is terminated by the A-HTRUST REIT Trustee or any A-HTRUST Manager in the event of a breach or non-compliance by the Ascott Reit Manager of certain specified obligations agreed to by the Parties.

(ii) The obligation to pay the Reverse Break Fee as described in this Paragraph 2.8(b) shall survive termination of the Implementation Agreement such that the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager may give the Ascott Reit Trustee a demand for payment of the Reverse Break Fee even if the Implementation Agreement has been terminated, provided that the trigger for the Reverse Break Fee as set out in Paragraph 2.8(b)(i) above had occurred prior to the termination of the Implementation Agreement.

(c) A-HTRUST Scheme Being Effective

Notwithstanding the occurrence of any event in Paragraph 2.8(a)(i) and Paragraph 2.8(b)(i), if the A-HTRUST Scheme becomes effective, no Break Fee or Reverse Break Fee shall be payable under Paragraph 2.8(a)(i) and Paragraph 2.8(b)(i).

The agreement of the Parties with respect to the Break Fee, the Reverse Break Fee and matters in relation thereto are subject to, and without prejudice to, the fiduciary or statutory duties of the relevant directors and compliance with applicable laws.

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2.9 Exclusivity

The A-HTRUST REIT Trustee and the A-HTRUST Managers have agreed to grant the Ascott Reit Trustee and the Ascott Reit Manager exclusivity for a period commencing on the date of the Implementation Agreement and ending on the earliest of the date on which the Implementation Agreement is terminated, the A-HTRUST Scheme Implementation Date and the Long-Stop Date, during which the A-HTRUST REIT Trustee and the A-HTRUST Managers shall not:

- (a) solicit, invite, encourage or initiate any enquiries, negotiations or discussions, or communicate any intention to do the foregoing, with a view to obtaining, or to the extent reasonably likely to result in or lead to, any A-HTRUST Competing Offer; or
- (b) negotiate or enter into, or participate in negotiations or discussions with any person (other than the Ascott Reit Trustee or the Ascott Reit Manager) in relation to, any A-HTRUST Competing Offer or any agreement, understanding or arrangement which would or is reasonably likely to result in or lead to any A-HTRUST Competing Offer.

In addition, the A-HTRUST REIT Trustee and the A-HTRUST Managers have agreed to provide the Ascott Reit Trustee and the Ascott Reit Manager with the right to provide, within an agreed period, a matching or superior proposal to the terms of the A-HTRUST Competing Offer, taken as a whole.

2.10 Conduct of Business

- (a) Each of the Ascott Reit Trustee, the Ascott Reit Manager, the A-HTRUST Managers and the A-HTRUST REIT Trustee has agreed not to, during the period from the date of the Implementation Agreement to the Effective Date, without the prior written consent of the other Parties (as relevant), take or refrain from taking any action which is reasonably within its power or control that would or is reasonably likely to result in an Ascott Reit Prescribed Occurrence or an A-HTRUST Prescribed Occurrence (as the case may be), save to the extent:
 - (i) required by applicable laws and subject to any fiduciary duties, statutory or legal obligations;
 - (ii) required to give effect to and comply with the Implementation Agreement;
 - (iii) such action is in connection with the redevelopment of any asset in the portfolio of the Ascott Reit Group or the A-HTRUST Group (as the case may be), where such action is taken or refrained from being taken in accordance with all applicable laws, including the Property Funds Appendix; or
 - (iv) in relation to certain matters agreed between the Parties.
- (b) The list of Ascott Reit Prescribed Occurrences and A-HTRUST Prescribed Occurrences is as follows:
 - (i) amendment of Ascott Reit Trust Deed or A-HTRUST Trust Deeds;
 - (ii) consolidation or sub-division of Ascott Reit Units and A-HTRUST Stapled Securities;

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- (iii) issuance of Ascott Reit Units, A-HTRUST Stapled Securities or shares, units or equity securities in any Ascott Reit Group Entities or A-HTRUST Group Entities;
- (iv) securities buy-backs or repurchase;
- (v) declaration, making or payment of distributions, save for Ascott Reit Permitted Distributions, A-HTRUST Permitted Distributions or distributions to be made pursuant to Paragraph 2.1(a)(ii)(B) of the Letter to A-HTRUST Stapled Securityholders;
- (vi) incurrence of additional borrowings or indebtedness, entry into guarantees, indemnities or other similar arrangements or creation of encumbrances over the assets or undertakings of an Ascott Reit Group Entity or A-HTRUST Group Entity;
- (vii) entry into material hedging or other derivative or off-balance sheet transactions;
- (viii) making or incurrence of material capital expenditure;
- (ix) material acquisitions and material disposals of real property or other assets;
- (x) certain agreements with respect to real property, such as the amendment, modification or varying of any title documents with respect to such property;
- (xi) any Ascott Reit Group Entity or A-HTRUST Group Entity, or their respective directors, being subject to any governmental or regulatory investigations or proceedings;
- (xii) initiation, compromise or settlement of any material legal action or proceedings;
- (xiii) Ascott Reit or A-HTRUST being suspended or removed from the Main Board of the SGX-ST;
- (xiv) cessation of business of any Ascott Reit Group Entity or A-HTRUST Group Entity;
- (xv) amendment of accounting policies of the Ascott Reit Group or the A-HTRUST Group;
- (xvi) resolutions for winding up, insolvency or similar proceedings of any Ascott Reit Group Entity or any A-HTRUST Group Entity; or
- (xvii) any event occurs which, under the laws of any applicable jurisdiction, has an analogous or equivalent effect to any of the foregoing events, or any agreement or commitment by any Ascott Reit Group Entity or any A-HTRUST Group Entity to do any of the foregoing.

2.11 Specific Obligations of the Ascott Reit Manager and the A-HTRUST Managers

Pursuant to the terms of the Implementation Agreement, each of the Ascott Reit Manager and the A-HTRUST Managers shall execute all documents and do or cause to be done all acts and things necessary for the implementation of the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition and the A-HTRUST Scheme, as expeditiously as practicable, including the specific obligations set out in the Implementation Agreement.

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2.12 Waiver of Rights to a General Offer

The A-HTRUST Stapled Securityholders should note that by voting in favour of the A-HTRUST Scheme, A-HTRUST Stapled Securityholders will be regarded as having waived their rights to a general offer by the Ascott Reit Manager Concert Party Group to acquire the A-HTRUST Stapled Securities under the Code (in respect of the A-HTRUST Scheme only) and are agreeing to the Ascott Reit Manager Concert Party Group acquiring or consolidating effective control of A-HTRUST by way of the A-HTRUST Scheme without having to make a general offer.

3. THE A-HTRUST TRUST DEEDS AMENDMENTS

Pursuant to the A-HTRUST Trust Deeds and Section 31(1)(a) of the BTA in the case of A-HTRUST BT, the A-HTRUST Managers are seeking the approval of the A-HTRUST Stapled Securityholders by way of an Extraordinary Resolution at the Extraordinary General Meeting for the A-HTRUST Trust Deeds Amendments.

The A-HTRUST Trust Deeds Amendments will introduce provisions to facilitate the implementation of the A-HTRUST Scheme. Pursuant to the A-HTRUST Trust Deeds Amendments, details of which are as follows:

- (a) the A-HTRUST Stapled Securityholders, A-HTRUST Managers and A-HTRUST REIT Trustee shall do all things and execute all deeds, instruments, transfers or other documents as the A-HTRUST Managers and/or the A-HTRUST REIT Trustee consider are necessary or desirable to execute, implement and/or to give full effect to the terms of the A-HTRUST Scheme, the Implementation Agreement and the transactions contemplated by them and any other matters reasonably incidental thereto;
- (b) each of the A-HTRUST Managers and A-HTRUST REIT Trustee shall have the power to do all things which it considers necessary or desirable to execute, implement and/or to give effect to the A-HTRUST Scheme, the Implementation Agreement and the transactions contemplated by them and any other matters reasonably incidental thereto;
- (c) on the A-HTRUST Scheme Implementation Date, the A-HTRUST Managers and A-HTRUST REIT Trustee shall:
 - (i) Unstaple the A-HTRUST REIT Units and A-HTRUST BT Units from the other; and
 - (ii) effect such Unstapling before any A-HTRUST REIT Unit or A-HTRUST BT Unit may be transferred to the Ascott Reit Trustee or Ascott BT Trustee-Manager pursuant to the A-HTRUST Scheme,

such that each and every A-HTRUST REIT Unit or A-HTRUST BT Unit which is transferred to the Ascott Reit Trustee and the Ascott BT Trustee-Manager shall be transferred on an Unstapled basis;

- (d) each A-HTRUST Scheme Unitholder will be allotted and issued new Ascott Reit Units on an unstapled basis as part of the consideration for the acquisition of its A-HTRUST REIT Units and new Ascott BT Units on an unstapled basis as part of the consideration for the acquisition of its A-HTRUST BT Units on terms that immediately after such issuance and receipt thereof by such A-HTRUST Scheme Unitholder each such new Ascott Reit Unit will be stapled with one (1) Ascott BT Unit so as to form one (1) Ascott Reit-BT Stapled Unit in accordance with the Ascott Reit-BT Stapling Deed;

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- (e) if:
- (i) the A-HTRUST Scheme Resolution has been approved at the Scheme Meeting;
 - (ii) the A-HTRUST Scheme has been sanctioned by an order of the Court; and
 - (iii) the A-HTRUST Scheme has become effective in accordance with its terms,
- the A-HTRUST Scheme shall, on and with effect from the Effective Date, be binding on the A-HTRUST Managers, A-HTRUST REIT Trustee and all A-HTRUST Stapled Securityholders;
- (f) each A-HTRUST Stapled Securityholder warrants to the Ascott Reit Trustee that it has full power and capacity to sell its A-HTRUST Stapled Securities in accordance with the terms of the A-HTRUST Scheme;
- (g) each of the A-HTRUST REIT Trustee and the A-HTRUST Managers may deduct and withhold from the Scheme Consideration any amount which the A-HTRUST REIT Trustee, the A-HTRUST Managers, the Ascott Reit Trustee and/or the Ascott Reit Manager determines is required to be deducted or withheld under any applicable law; and
- (h) the A-HTRUST Managers may make an application to delist A-HTRUST after the A-HTRUST Scheme Resolution has been approved at the Scheme Meeting.

The A-HTRUST Managers understand from the Ascott Reit Manager that due to tax reasons, the Ascott Reit Trustee and the Ascott BT Trustee-Manager will acquire the A-HTRUST REIT Units and the A-HTRUST BT Units respectively on an Unstapled basis as set out in the A-HTRUST Trust Deeds Amendments. The A-HTRUST Stapled Securityholders will receive new Ascott Reit Units on an unstapled basis as part of the consideration for the acquisition of its A-HTRUST REIT Units and new Ascott BT Units on an unstapled basis as part of the consideration for the acquisition of its A-HTRUST BT Units. Such Ascott Reit Units and Ascott BT Units will be stapled to form one (1) Ascott-Reit Stapled Unit in accordance with the Ascott Reit-BT Stapling Deed.

The 80% voting threshold for the delisting of A-HTRUST was in line with market precedents at the time of the initial public offering of A-HTRUST. The rationale for lowering the voting threshold required for the delisting of A-HTRUST from 80% to 75% as contemplated by the A-HTRUST Trust Deeds Amendments is to align the A-HTRUST Stapling Deed with Rule 1307(2) of the Listing Manual, which provides that a resolution to delist an issuer must be approved by a majority of at least 75% of the total number of issued shares held by the shareholders present and voting either in person or by proxy at the meeting, excluding treasury shares and subsidiary holdings, and to align the voting threshold with recent market precedents of hospitality trusts listed on the SGX-ST.

Please refer to Appendix D to this Scheme Document which sets out the proposed A-HTRUST Trust Deeds Amendments.

For the avoidance of doubt, the Scheme Meeting will only be convened if the A-HTRUST Trust Deeds Amendments Resolution is passed at the Extraordinary General Meeting.

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4. IRREVOCABLE UNDERTAKINGS

4.1 A-HTRUST Deeds of Undertaking

Each of AHDF and GT had on 11 July 2019, executed an A-HTRUST Deed of Undertaking to vote the following number of A-HTRUST Stapled Securities in favour of the A-HTRUST Trust Deeds Amendments Resolution and the A-HTRUST Scheme Resolution:

Entity or Individual	Number of A-HTRUST Stapled Securities (million)	% of Total A-HTRUST Stapled Securities
AHDF ¹⁰	46.2	4.1
GT ¹¹	72.0	6.3

Each of the A-HTRUST Deeds of Undertaking will terminate and be of no further force and effect on the earliest of the following events:

- (a) if the A-HTRUST Scheme becomes effective in accordance with its terms, the Effective Date;
- (b) if the Implementation Agreement lapses or is terminated for any reason without the A-HTRUST Scheme becoming effective, the date on which the Implementation Agreement lapses or is terminated; and
- (c) 5.00 p.m. on 31 December 2019.

4.2 ALI Deed of Undertaking

As stated in Paragraph 12.1 of the Offeror's Letter as set out in Appendix B to this Scheme Document, ALI, being the sole shareholder of the A-HTRUST Managers and a party acting in concert with Ascott Reit Manager in respect of the A-HTRUST Scheme, has, on 12 September 2019, given the ALI Deed of Undertaking to vote, or procure the voting of, 319,760,218 A-HTRUST Stapled Securities (being 28.10% of the total number of A-HTRUST Stapled Securities) in which it is a beneficial owner thereof or in respect of which it may otherwise become entitled to exercise all rights attaching thereto (including voting rights) in favour of the A-HTRUST Trust Deeds Amendments Resolution.

For the avoidance of doubt, ALI is required to abstain from voting on the A-HTRUST Scheme Resolution.

¹⁰ AHDF is a wholly-owned subsidiary of AAPC Singapore Pte Ltd, which is part of Accor Asia Pacific. AHDF was a cornerstone investor in relation to the listing of A-HTRUST on SGX-ST and received A-HTRUST Stapled Securities as part of the purchase price for the sale of its interest in Ascendas Australia Hotel Trust ("**AAHT**"). The shareholding interest in the hotels in Australia under the initial portfolio at the point of listing are held via AAHT. Mr. Michael Issenberg, a non-executive director of A-HTRUST, is a director in AHDF and the Chief Executive Officer of Accor Asia Pacific. As at the Latest Practicable Date, AHDF holds 46.2 million A-HTRUST Stapled Securities, representing 4.1% of the total A-HTRUST Stapled Securities and does not hold any units in Ascott Reit.

¹¹ As at the Latest Practicable Date, GT holds 77.2 million A-HTRUST Stapled Securities, representing 6.78% of the total A-HTRUST Stapled Securities.

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5. APPROVALS REQUIRED IN RESPECT OF THE SCHEME

5.1 Scheme Meeting and Court Sanction

The A-HTRUST Scheme will require, *inter alia*, the following approvals:

- (a) the approval of the A-HTRUST Stapled Securityholders by way of an Extraordinary Resolution at the Extraordinary General Meeting for the A-HTRUST Trust Deeds Amendments Resolution;
- (b) the approval of a majority in number of the A-HTRUST Stapled Securityholders representing at least 75% in value of the A-HTRUST Stapled Securities held by the A-HTRUST Stapled Securityholders present and voting either in person or by proxy at the Scheme Meeting to approve the A-HTRUST Scheme Resolution; and
- (c) the A-HTRUST Scheme Court Order being obtained.

The A-HTRUST Scheme Resolution is contingent upon the approval of the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting. In the event that the A-HTRUST Trust Deeds Amendments Resolution is not passed at the Extraordinary General Meeting, the A-HTRUST Managers will not proceed with the Scheme Meeting and the A-HTRUST Scheme Resolution. This means that the A-HTRUST Scheme cannot be implemented by the A-HTRUST Managers and the Ascott Reit Manager unless both the A-HTRUST Trust Deeds Amendments Resolution and the A-HTRUST Scheme Resolution are passed at the Extraordinary General Meeting and the Scheme Meeting respectively.

In addition, the A-HTRUST Scheme will only come into effect if all the Combination Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

When the A-HTRUST Scheme, with or without modification, becomes effective, it will be binding on all A-HTRUST Stapled Securityholders, whether or not they were present in person or by proxy or voted at the Scheme Meeting.

5.2 SIC Rulings and Confirmations

Pursuant to the application made by the Ascott Reit Manager to the SIC to seek SIC's rulings and confirmations on certain matters in relation to the A-HTRUST Scheme, the SIC has confirmed on 2 July 2019, *inter alia*, that:

- (a) the A-HTRUST Scheme is exempted from Rule 14, Rule 15, Rule 16, Rule 17, Note 1(b) on Rule 19, Rule 20.1, Rule 21, Rule 22, Rule 28, Rule 29 and Rule 33.2 of the Code;
- (b) it has no objections to the Combination Conditions;
- (c) the declaration, making and payment of the A-HTRUST Permitted Distributions, if any, will not be a breach by the A-HTRUST Managers of Note 3 on Rule 5 of the Code;
- (d) it has no objections to certain limited scope of proposed disclosures with respect to unitholding in A-HTRUST in the interests of confidentiality;

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- (e) only the Ascott Reit Directors (not the directors of CapitaLand) would be required to provide responsibility statements in respect of any documents issued in connection with the Combination, and that the financial information required to be presented under Rule 23.4 of the Code be limited to that of the Ascott Reit Group (and not the CapitaLand Group);
- (f) with respect to Ascott Reit, Rule 11.3 of the Code, and with respect to A-HTRUST, Rule 5 of the Code, be waived, and the Ascott Reit Manager or the A-HTRUST Managers (as the case may be) be permitted to elect to receive a portion of its fees (which may include base management fees, performance management fees, acquisition fees and divestment fees) in Ascott Reit Units or A-HTRUST Stapled Securities (as the case may be), if any such fees are due to be paid during the offer period in respect of the A-HTRUST Scheme. The SIC has confirmed the waiver of Rule 5 of the Code with respect to A-HTRUST on the assumption that the Ascott Reit Manager, having made the application for a waiver in this regard, does not object to the A-HTRUST Managers receiving such fees in A-HTRUST Stapled Securities; and
- (g) it has no objections to the Break Fee, in the event that it is agreed to between the Parties, subject to:
 - (i) the Break Fee not exceeding 1% of the Scheme Consideration; and
 - (ii) the A-HTRUST Managers and its financial advisers providing certain matters required under Rule 13 of the Code in writing to the SIC.

5.3 Ascott Reit Unitholders' Approval

An extraordinary general meeting of Ascott Reit ("**Ascott Reit EGM**") will also be convened to seek the approval of the Ascott Reit Unitholders for (a) the amendments to the Ascott Reit Trust Deed, (b) the Ascott Reit Scheme, (c) the Ascott Reit Acquisition and (d) the issuance of new Ascott Reit-BT Stapled Units to the A-HTRUST Scheme Unitholders as part of the consideration pursuant to the Combination.

For further information on the Ascott Reit Unitholders' Approval, please refer to the Ascott Reit Composite Document dated 26 September 2019, a copy of which is available on www.sgx.com.

6. DELISTING

Upon the A-HTRUST Scheme becoming effective in accordance with its terms:

- (a) all A-HTRUST Stapled Securityholders will receive the Cash Consideration of S\$0.0543 in cash for each A-HTRUST Stapled Security and the Consideration Units of 0.7942 Ascott Reit-BT Stapled Units at an issue price of S\$1.30 for each Consideration Unit;
- (b) the Ascott Reit Trustee will hold 100% of the A-HTRUST REIT Units;
- (c) the Ascott BT Trustee-Manager will hold 100% of the A-HTRUST BT Units; and
- (d) A-HTRUST will, subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

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An application will be made to seek approval from the SGX-ST to delist and remove A-HTRUST from the Official List of the SGX-ST upon the A-HTRUST Scheme becoming effective and binding in accordance with its terms.

A-HTRUST STAPLED SECURITYHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE A-HTRUST SCHEME, A-HTRUST WILL, SUBJECT TO THE APPROVAL OF SGX-ST, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE A-HTRUST SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.

7. CONFIRMATION OF FINANCIAL RESOURCES

As stated in Paragraph 7.2 of the Offeror's Letter as set out in Appendix B to this Scheme Document, Citigroup Global Markets Singapore Pte. Ltd., as the sole financial adviser to the Ascott Reit Manager in respect of the Combination, confirms that sufficient financial resources are available to Ascott Reit to satisfy in full the aggregate Cash Consideration payable by the Ascott Reit Trustee for all the A-HTRUST Stapled Securities to be acquired by Ascott Reit and Ascott BT pursuant to the Combination¹².

8. FEES

8.1 A-HTRUST

No fee is payable to the A-HTRUST Managers in connection with the Combination and the A-HTRUST Scheme.

8.2 Ascott Reit

To demonstrate its support for the Combination, the Ascott Reit Manager has voluntarily waived 50% of its acquisition fee entitlement under the Ascott Reit Trust Deed. Further details with respect to the fees payable to the Ascott Reit Manager have been set out in the Offeror's Letter in Appendix B to this Scheme Document.

9. EXTRAORDINARY GENERAL MEETING

9.1 Extraordinary General Meeting

As mentioned in Paragraph 1.3(a) above, the Extraordinary General Meeting will be convened to seek the approval of A-HTRUST Stapled Securityholders by way of an Extraordinary Resolution at the Extraordinary General Meeting for the A-HTRUST Trust Deeds Amendments Resolution.

9.2 Convening of Extraordinary General Meeting

The Extraordinary General Meeting will be convened and held on 21 October 2019 at 2.30 p.m. at Raffles City Convention Centre, Canning Ballroom, Level 4, 2 Stamford Road, Singapore 178882 for the purpose of considering, and if thought fit, passing with or without modifications, the Extraordinary Resolution to approve the A-HTRUST Trust Deeds Amendments Resolution.

¹² Based on a total of 1,136.7 million A-HTRUST Stapled Securities as at the Joint Announcement Date, the aggregate Cash Consideration is S\$61.8 million.

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9.3 Notice

The notice of the Extraordinary General Meeting is set out in pages H-1 to H-4 of this Scheme Document. You are requested to take note of the date, time and place of the Extraordinary General Meeting.

10. SCHEME MEETING

10.1 Scheme Meeting

As mentioned in Paragraph 5.1 above, the A-HTRUST Scheme will require, *inter alia*, the following approvals:

- (a) the approval of A-HTRUST Stapled Securityholders by way of Extraordinary Resolution at the Extraordinary General Meeting for the A-HTRUST Trust Deeds Amendments Resolution; and
- (b) the approval of a majority in number of the A-HTRUST Stapled Securityholders representing at least 75% in value of the A-HTRUST Stapled Securities held by the A-HTRUST Stapled Securityholders present and voting either in person or by proxy at the Scheme Meeting to approve the A-HTRUST Scheme Resolution.

The A-HTRUST Scheme Resolution is contingent upon the approval of the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting. In the event that the A-HTRUST Trust Deeds Amendments Resolution is not passed at the Extraordinary General Meeting, the A-HTRUST Managers will not proceed with the Scheme Meeting and the A-HTRUST Scheme Resolution. This means that the A-HTRUST Scheme cannot be implemented by the A-HTRUST Managers and the Ascott Reit Manager unless both the A-HTRUST Trust Deeds Amendments Resolution and the A-HTRUST Scheme Resolution are passed at the Extraordinary General Meeting and the Scheme Meeting respectively.

In addition, the A-HTRUST Scheme will only come into effect if all the Combination Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

When the A-HTRUST Scheme, with or without modifications, becomes effective, it will be binding on all A-HTRUST Stapled Securityholders, whether or not they were present in person or by proxy or voted at the Scheme Meeting.

10.2 Convening of the Scheme Meeting

Pursuant to an application by the A-HTRUST Managers made under Order 80 of the Rules of Court, and the Scheme Meeting Court Order, the Court has ordered, amongst other things, that:

- (a) the A-HTRUST Managers and the A-HTRUST REIT Trustee shall be at and are hereby granted liberty to convene the Scheme Meeting within three (3) months of the date of the A-HTRUST Scheme Court Order, for the purpose of considering, and if thought fit, approving (with or without modification) the A-HTRUST Scheme;

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- (b) the A-HTRUST Scheme shall be convened in the manner set out in Appendix I to this Scheme Document;
- (c) in the event the A-HTRUST Scheme is approved by a majority in number of the A-HTRUST Stapled Securityholders present and voting either in person or by proxy at the Scheme Meeting representing at least three-quarters (75%) in value of the A-HTRUST Stapled Securities held by such A-HTRUST Stapled Securityholders, the A-HTRUST Managers and the A-HTRUST REIT Trustee be at liberty to apply for the Court's approval of the A-HTRUST Scheme under Order 80 of the Rules of Court, with such modifications as are approved at the Scheme Meeting (if any); and
- (d) each of the A-HTRUST Managers and the A-HTRUST REIT Trustee and any A-HTRUST Stapled Securityholder shall have liberty to apply for such further or other directions as may be necessary or desirable.

10.3 Notice

The notice of the Scheme Meeting is set out on pages K-1 to K-4 of this Scheme Document. You are requested to take note of the date, time and place of the Scheme Meeting.

11. IMPLEMENTATION OF THE A-HTRUST SCHEME

11.1 Application to Court for Sanction

Upon receipt of the approval by the requisite majority of A-HTRUST Stapled Securityholders (as stated in Paragraph 5.1 above) present and voting, either in person or by proxy, at the Scheme Meeting, an application will be made to the Court by the A-HTRUST Managers for the A-HTRUST Scheme Court Order.

11.2 Procedure for Implementation

If the requisite majority of A-HTRUST Stapled Securityholders approve the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting and the A-HTRUST Scheme Resolution at the Scheme Meeting and the Court sanctions the A-HTRUST Scheme by granting the A-HTRUST Scheme Court Order, the Ascott Reit Manager and the A-HTRUST Managers will (subject to the Combination Conditions having been satisfied or, as the case may be, waived in accordance with the Implementation Agreement) take the necessary steps to render the A-HTRUST Scheme effective and binding, and the following will be implemented:

- (a) the A-HTRUST Stapled Securities will be Unstapled and the A-HTRUST REIT Units and the A-HTRUST BT Units transferred to the Ascott Reit Trustee and the Ascott BT Trustee-Manager, respectively, as follows:
 - (i) in the case of Entitled Stapled Securityholders (not being depositors), the A-HTRUST Managers shall authorise any person to execute or effect on behalf of all such Entitled Stapled Securityholders an instrument or instruction of transfer of all the A-HTRUST Stapled Securities held by such Entitled Stapled Securityholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Stapled Securityholder; and

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- (ii) in the case of the Entitled Stapled Securityholders (being depositors), the A-HTRUST Managers shall instruct CDP, for and on behalf of such Entitled Stapled Securityholders, to debit, not later than seven (7) Business Days after the Effective Date, all of the A-HTRUST Stapled Securities standing to the credit of the Securities Accounts of such Entitled Stapled Securityholders and credit all of such A-HTRUST Stapled Securities on an Unstapled basis to the Securities Accounts of the Ascott Reit Trustee and the Ascott BT Trustee-Manager (as applicable);
- (b) from the Effective Date, all existing confirmation notes relating to the A-HTRUST Stapled Securities held by the Entitled Stapled Securityholders (not being depositors) will cease to be evidence of title of the A-HTRUST Stapled Securities represented thereby;
- (c) the Entitled Stapled Securityholders (not being depositors) are required to forward their existing confirmation notes relating to their A-HTRUST Stapled Securities to the Stapled Securities Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation; and
- (d) the Ascott Reit Trustee and the Ascott Reit Manager shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the A-HTRUST Stapled Securities set out in Paragraph 11.2(a) above, make payment of the Scheme Consideration to the Entitled Stapled Securityholders in the manner set out in Paragraph 11.3 below.

11.3 The Scheme Consideration

(a) The Cash Consideration

- (i) The Ascott Reit Trustee and the Ascott BT Trustee-Manager shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the A-HTRUST Stapled Securities set out in Paragraph 11.2(a) above:

- (A) Entitled Stapled Securityholders whose A-HTRUST Stapled Securities are not deposited with CDP

pay each Entitled Stapled Securityholder (not being a depositor) by sending a cheque for the Cash Consideration payable to and made out in favour of such Entitled Stapled Securityholder by ordinary post to his address as appearing in the Register of A-HTRUST Stapled Securityholders at the close of business on the A-HTRUST Scheme Entitlement Date, at the sole risk of such Entitled Stapled Securityholder, or in the case of joint Entitled Stapled Securityholders, to the first named Entitled Stapled Securityholder made out in favour of such Entitled Stapled Securityholder by ordinary post to his address as appearing in the Register of A-HTRUST Stapled Securityholders at the close of business on the A-HTRUST Scheme Entitlement Date, at the sole risk of such joint Entitled Stapled Securityholders; and

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(B) Entitled Stapled Securityholders whose A-HTRUST Stapled Securities are deposited with CDP

pay each Entitled Stapled Securityholder (being a depositor) by making payment of the Cash Consideration payable to such Entitled Stapled Securityholder to CDP. CDP shall:

- (1) in the case of an Entitled Stapled Securityholder (being a depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Stapled Securityholder, to the designated bank account of such Entitled Stapled Securityholder; and
 - (2) in the case of an Entitled Stapled Securityholder (being a depositor) who has not registered for CDP's direct crediting service, send to such Entitled Stapled Securityholder, by ordinary post to his address as appearing in the Depository Register at the close of business on the A-HTRUST Scheme Entitlement Date regardless of whether such Entitled Stapled Securityholder holds the A-HTRUST Stapled Securities as custodian or nominee and at the sole risk of such Entitled Stapled Securityholder, or in the case of joint Entitled Stapled Securityholders, to the first named Entitled Stapled Securityholder by ordinary post to his address as appearing in the Depository Register at the close of business on the A-HTRUST Scheme Entitlement Date, at the sole risk of such joint Entitled Stapled Securityholder, a cheque for the payment of such Cash Consideration made out in favour of such Entitled Stapled Securityholder.
- (ii) On and after the day being six (6) calendar months after the posting of such cheques relating to the Cash Consideration, CDP shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in CDP's name with a licensed bank in Singapore selected by CDP.
- (iii) CDP shall hold such moneys until the expiration of six (6) years from the A-HTRUST Scheme Implementation Date and shall prior to such date make payments therefrom of the sums payable pursuant to Paragraph 11.3(a)(ii) to persons who satisfy CDP that they are respectively entitled thereto and that the cheques referred to in Paragraph 11.3(a)(i) for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by CDP hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to this Paragraph 11.3(a)(iii).
- (iv) On the expiry of six (6) years from the A-HTRUST Scheme Implementation Date, CDP, the Ascott Reit Trustee and the Ascott BT Trustee-Manager shall be released from any further obligation to make any payments of the Cash Consideration under this A-HTRUST Scheme.

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(b) The Consideration Units

- (i) The Ascott Reit Trustee and the Ascott BT Trustee-Manager shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the A-HTRUST Stapled Securities set out in Paragraph 11.2(a):

(A) Entitled Stapled Securityholders whose A-HTRUST Stapled Securities are not deposited with CDP

deliver the confirmation notes for the relevant number of Consideration Units to each Entitled Stapled Securityholder (not being a depositor) by sending to such Entitled Stapled Securityholder the same by ordinary post at his address as appearing in the Register of A-HTRUST Stapled Securityholders at the close of business on the A-HTRUST Scheme Entitlement Date at the sole risk of such Entitled Stapled Securityholder, or in the case of joint Entitled Stapled Securityholders, to the first named Entitled Stapled Securityholder by ordinary post at his address as appearing in the Register of A-HTRUST Stapled Securityholders at the close of business on the A-HTRUST Scheme Entitlement Date, at the sole risk of such joint Entitled Stapled Securityholders; and

(B) Entitled Stapled Securityholders whose A-HTRUST Stapled Securities are deposited with CDP

deliver the confirmation notes for the relevant number of Consideration Units to each Entitled Stapled Securityholder (being a depositor) by sending the same to CDP. CDP shall send to such Entitled Stapled Securityholder, by ordinary post at his address (such address as appearing in the Depository Register at the close of business on the A-HTRUST Scheme Entitlement Date) at the sole risk of such Entitled Stapled Securityholder, or in the case of joint Entitled Stapled Securityholders, to the first named Entitled Stapled Securityholder by ordinary post at his address as appearing in the Depository Register at the close of business on the A-HTRUST Scheme Entitlement Date, at the sole risk of such joint Entitled Stapled Securityholders, a statement showing the number of Consideration Units credited to his Securities Account.

- (ii) All mandates or other instructions given by any Entitled Stapled Securityholder relating to the payment of distributions by A-HTRUST or relating to notices, annual report or other communications in force on the Relevant Date shall, unless and until specifically revoked in writing, be deemed on and from the Effective Date to be an effective mandate or, as the case may be, an effective instruction in respect of his corresponding holding of Consideration Units.

- (c) The despatch of payment of the Cash Consideration and delivery of confirmation notes by the Ascott Reit Trustee and the Ascott BT Trustee-Manager to each Entitled Stapled Securityholder's address and/or CDP (as the case may be) in accordance with this Paragraph 11.3 shall be deemed as a good discharge to Ascott Reit, the Ascott Reit Manager, the Ascott Reit Trustee and CDP of the Cash Consideration and of the Consideration Units represented thereby.

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- (d) From the Effective Date, each existing confirmation note representing a former holding of A-HTRUST Stapled Securities by Entitled Stapled Securityholders (not being depositors) will cease to be evidence of title of the A-HTRUST Stapled Securities represented thereby. The Entitled Stapled Securityholders (not being depositors) shall forward their existing confirmation notes relating to their A-HTRUST Stapled Securities to the Stapled Security Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation.

12. **CLOSURE OF BOOKS**

12.1 Notice of A-HTRUST Scheme Entitlement Date

Subject to the A-HTRUST Trust Deeds Amendments Resolution and the A-HTRUST Scheme Resolution being passed and the sanction of the A-HTRUST Scheme by the Court, notice of the A-HTRUST Scheme Entitlement Date will be given in due course for the purposes of determining the entitlements of the A-HTRUST Stapled Securityholders to the Scheme Consideration under the A-HTRUST Scheme.

The A-HTRUST Scheme Entitlement Date is expected to be on 18 December 2019 at 5.00 p.m.. The A-HTRUST Managers will make a further announcement on the A-HTRUST Scheme Entitlement Date in due course.

12.2 A-HTRUST Scheme Entitlement Date

No transfer of the A-HTRUST Stapled Securities where the confirmation notes relating thereto are not deposited with CDP may be effected after the A-HTRUST Scheme Entitlement Date, unless such transfer is made pursuant to the A-HTRUST Scheme.

12.3 Trading in A-HTRUST Stapled Securities on the SGX-ST

The A-HTRUST Scheme is tentatively scheduled to become effective and binding on or about **19 December 2019** and accordingly (assuming the A-HTRUST Scheme becomes effective and binding on **19 December 2019**), A-HTRUST is expected to be delisted and removed from the Official List of the SGX-ST after the settlement of the Scheme Consideration. It is therefore expected that, subject to the approval of the SGX-ST, the A-HTRUST Stapled Securities will cease to be traded on the SGX-ST on or about **16 December 2019** at 5.00 p.m., being two (2) Market Days before the expected A-HTRUST Scheme Entitlement Date on **18 December 2019** at 5.00 p.m..

A-HTRUST Stapled Securityholders (not being depositors) who wish to trade in their A-HTRUST Stapled Securities on the SGX-ST are required to deposit with CDP their confirmation notes relating to their A-HTRUST Stapled Securities, together with the duly executed instruments of transfer in favour of CDP, eight (8) Market Days prior to the tentative last day for trading of the A-HTRUST Stapled Securities.

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13. SETTLEMENT AND REGISTRATION PROCEDURES

Subject to the A-HTRUST Scheme becoming effective, the following settlement and registration procedures will apply:

- (a) A-HTRUST Stapled Securityholders whose A-HTRUST Stapled Securities are not deposited with CDP

Entitlements of Entitled Stapled Securityholders (not being depositors) whose A-HTRUST Stapled Securities are not deposited with CDP under the A-HTRUST Scheme will be determined on the basis of their holdings of A-HTRUST Stapled Securities appearing in the Register of A-HTRUST Stapled Securityholders on the A-HTRUST Scheme Entitlement Date. A-HTRUST Stapled Securityholders (not being depositors) who have not already registered their holdings of the A-HTRUST Stapled Securities are requested to take the necessary action to ensure that the A-HTRUST Stapled Securities owned by them are registered in their names or in the names of their nominees by the A-HTRUST Scheme Entitlement Date.

From the Effective Date, each existing confirmation note representing a former holding of A-HTRUST Stapled Securities by the Entitled Stapled Securityholder (not being depositors) will cease to be evidence of title to the A-HTRUST Stapled Securities represented thereby.

Within seven (7) Business Days of the Effective Date, the Ascott Reit Trustee and the Ascott BT Trustee-Manager shall make payment of the Scheme Consideration to each Entitled Stapled Securityholder (not being a depositor) based on his holding of the A-HTRUST Stapled Securities as at 5.00 p.m. on the A-HTRUST Scheme Entitlement Date.

- (b) A-HTRUST Stapled Securityholders (being depositors) whose A-HTRUST Stapled Securities are deposited with CDP

Entitlements of Entitled Stapled Securityholders (being depositors) under the A-HTRUST Scheme will be determined on the basis of the number of A-HTRUST Stapled Securities standing to the credit of their Securities Accounts at 5.00 p.m. on the A-HTRUST Scheme Entitlement Date. A-HTRUST Stapled Securityholders who have not already done so are requested to take the necessary action to ensure that the A-HTRUST Stapled Securities owned by them are credited to their Securities Accounts by 5.00 p.m. on the A-HTRUST Scheme Entitlement Date.

Following the Effective Date, CDP will debit all the A-HTRUST Stapled Securities standing to the credit of each relevant Securities Account of each Entitled Stapled Securityholder (being a depositor) and credit all of such A-HTRUST Stapled Securities on an Unstapled basis to the Securities Accounts of the Ascott Reit Trustee and the Ascott BT Trustee-Manager (as applicable).

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Within seven (7) Business Days of the Effective Date, CDP shall, based on the number of A-HTRUST Stapled Securities standing to the credit of the Securities Account of the Entitled Stapled Securityholders (being depositors) as at 5.00 p.m. on the A-HTRUST Scheme Entitlement Date:

- (i) make payment of the Cash Consideration of S\$0.0543 in cash for each A-HTRUST Stapled Security to the Entitled Stapled Securityholders in such manner as the Entitled Stapled Securityholders have agreed with CDP for payment of any cash distribution; and
- (ii) credit the Securities Accounts of the Entitled Stapled Securityholders with the appropriate number of Consideration Units.

14. OVERSEAS STAPLED SECURITYHOLDERS

14.1 Overseas Stapled Securityholders

The applicability of the Combination and the A-HTRUST Scheme to Overseas Stapled Securityholders whose addresses are outside Singapore, as shown on the Register of A-HTRUST Stapled Securityholders, or as the case may be, in the records of CDP, may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Stapled Securityholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Overseas Stapled Securityholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.

14.2 Copies of Scheme Document

Where there are potential restrictions on sending this Scheme Document to any overseas jurisdiction, the Ascott Reit Manager and A-HTRUST Managers reserve the right not to send such documents to the A-HTRUST Stapled Securityholders in such overseas jurisdiction.

A-HTRUST Stapled Securityholders (including Overseas Stapled Securityholders) may obtain copies of this Scheme Document and any related documents during normal business hours and up to the date of the Extraordinary General Meeting and the Scheme Meeting from the Stapled Security Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Stapled Securityholder may write in to the Stapled Security Registrar at the same address to request for this Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three (3) Market Days prior to the date of the Extraordinary General Meeting and the Scheme Meeting.

It is the responsibility of any Overseas Stapled Securityholder who wishes to request for this Scheme Document and any related documents to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for this Scheme Document and any related documents or participating in the Combination and the A-HTRUST Scheme, the Overseas Stapled Securityholder represents and warrants to the Ascott Reit Manager and the

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A-HTRUST Managers that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.

For the avoidance of doubt, the Combination and the A-HTRUST Scheme are being proposed to all the A-HTRUST Stapled Securityholders (including the Overseas Stapled Securityholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Combination and the A-HTRUST Scheme are not being proposed in any jurisdiction in which the introduction or implementation of the Combination and the A-HTRUST Scheme would not be in compliance with the laws of such jurisdiction.

If any Overseas Stapled Securityholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

14.3 Notice

The Ascott Reit Manager and the A-HTRUST Managers each reserves the right to notify any matter, including the fact that the Combination and the A-HTRUST Scheme has been proposed, to any or all A-HTRUST Stapled Securityholders (including Overseas Stapled Securityholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any A-HTRUST Stapled Securityholder (including any Overseas Stapled Securityholder) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as A-HTRUST remains listed on the SGX-ST, the A-HTRUST Managers will continue to notify all A-HTRUST Stapled Securityholders (including Overseas Stapled Securityholders) of any matter relating to the Combination and the A-HTRUST Scheme by announcement via SGXNET.

Notwithstanding that such Overseas Stapled Securityholder may not receive the notice of the Extraordinary General Meeting or the Scheme Meeting, they shall be bound by the A-HTRUST Scheme if the A-HTRUST Scheme becomes effective.

14.4 Foreign Jurisdiction

It is the responsibility of each Overseas Stapled Securityholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the A-HTRUST Scheme, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. The Overseas Stapled Securityholder represents and warrants to Ascott Reit, A-HTRUST, the Ascott Reit Manager and the A-HTRUST Managers that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Overseas Stapled Securityholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

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14.5 Tax

A-HTRUST Stapled Securityholders should consult their own tax advisors on the possible tax implications (if any) of the Combination and the A-HTRUST Scheme or any other transactions contemplated by this Scheme Document. Depending on the individual circumstances of each A-HTRUST Stapled Securityholder, including his, her or its tax residence and the size of his, her or its holdings in A-HTRUST, he, she or it may realise or be deemed under applicable tax laws, regulations and rules to realise a gain or loss arising from the Combination or the A-HTRUST Scheme or any other transactions contemplated by this Scheme Document which is taxable or, as the case may be, not permitted to be deductible in any applicable jurisdiction. Without limitation to the foregoing:

- (a) an A-HTRUST Stapled Securityholder who realises a gain from the disposal of his, her or its A-HTRUST Stapled Securities pursuant to the Combination may be subject to tax in Japan if he, she or it (together with his, her or its associates, if applicable) holds more than 5% of all the outstanding A-HTRUST Stapled Securities at the relevant time, subject to relief under the Singapore – Japan tax treaty (if applicable for A-HTRUST Stapled Securityholders who are residents of Singapore for tax purposes); and
- (b) an A-HTRUST Stapled Securityholder who realises a gain from the disposal of his, her or its A-HTRUST Stapled Securities pursuant to the Combination may be subject to tax in Australia if he, she or it (together with his, her or its associates, if applicable) holds or has held 10% or more of all the outstanding A-HTRUST Stapled Securities at or during the relevant time.

15. **ACTION TO BE TAKEN BY A-HTRUST STAPLED SECURITYHOLDERS**

An A-HTRUST Stapled Securityholder who has A-HTRUST Stapled Securities entered against its name in (a) the Register of A-HTRUST Stapled Securityholders; or (b) the Depository Register as at the cut-off time being 48 hours prior to the time of the Extraordinary General Meeting and the time of the Scheme Meeting, as the case may be (being the time at which the name of the A-HTRUST Stapled Securityholder must appear in the Register of A-HTRUST Stapled Securityholders or the Depository Register, as having A-HTRUST Stapled Securities entered against its name in the said Registers), shall be entitled to attend, speak and vote, in person or by proxy, at the Extraordinary General Meeting and the Scheme Meeting respectively.

Extraordinary General Meeting

An A-HTRUST Stapled Securityholder who is not a relevant intermediary entitled to attend, speak and vote at the Extraordinary General Meeting may appoint not more than two (2) proxies to attend, speak and vote at the Extraordinary General Meeting in his/her stead. Where an A-HTRUST Stapled Securityholder appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her A-HTRUST Stapled Securityholding (expressed as a percentage of the whole) to be represented by each proxy.

An A-HTRUST Stapled Securityholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the Extraordinary General Meeting in its stead. Where such A-HTRUST Stapled Securityholder appoints more than two (2) proxies, the number and class of A-HTRUST Stapled Securities in relation to which each proxy has been appointed shall be specified in the proxy form.

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Scheme Meeting

An A-HTRUST Stapled Securityholder may appoint one (1) (and not more than one (1)) proxy to attend, speak and vote at the Scheme Meeting and may only cast all the votes it uses at the Scheme Meeting in one (1) way, namely either for or against each of the resolution(s) proposed at the Scheme Meeting.

A-HTRUST Stapled Securityholders who are unable to attend the Extraordinary General Meeting and/or the Scheme Meeting are requested to complete **both** the enclosed Proxy Form (EGM) and/or Proxy Form (Scheme Meeting) in accordance with the instructions printed thereon and lodge them with the Stapled Security Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time fixed for each of the Extraordinary General Meeting and the Scheme Meeting.

16. INFORMATION RELATING TO SRS INVESTORS

SRS Investors who wish to attend the Extraordinary General Meeting and/or the Scheme Meeting are advised to consult their respective SRS Agent Banks for further information and if they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.

17. VOTING ON THE A-HTRUST TRUST DEEDS AMENDMENTS RESOLUTION AND THE A-HTRUST SCHEME RESOLUTION

17.1 The A-HTRUST Trust Deeds Amendments Resolution

As set out in Paragraph 4.2 of the Letter to A-HTRUST Stapled Securityholders, ALI has given the ALI Deed of Undertaking to **VOTE IN FAVOUR** of the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting.

The A-HTRUST Directors who legally and/or beneficially own A-HTRUST Stapled Securities, as set out in Paragraph 5.3 of Appendix C, have informed the A-HTRUST Managers that they will **VOTE IN FAVOUR** of the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting.

17.2 The A-HTRUST Scheme Resolution

ALI, being a person acting in concert with the Ascott Reit Manager in respect of the A-HTRUST Scheme, is required to abstain from voting on the A-HTRUST Scheme. Accordingly, ALI shall decline to accept appointment as proxy to attend, speak and vote at the Scheme Meeting in respect of the A-HTRUST Scheme Resolution unless the A-HTRUST Stapled Securityholder concerned has given specific instructions in his/her/its proxy form as to the manner in which his/her/its votes are to be cast.

The Conflicted Directors, being Mr. Miguel Ko and Mr. Manohar Khiatani, who legally and/or beneficially own A-HTRUST Stapled Securities as set out in Paragraph 5.3 of Appendix C, are required to abstain from voting on the A-HTRUST Scheme at the Scheme Meeting.

All of the A-HTRUST Independent Directors who legally and/or beneficially own A-HTRUST Stapled Securities, as set out in Paragraph 5.3 of Appendix C, have informed the A-HTRUST Managers that they will **VOTE IN FAVOUR** of the A-HTRUST Scheme Resolution at the Scheme Meeting.

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18. INDEPENDENT FINANCIAL ADVISER TO THE A-HTRUST INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE

18.1 Appointment of A-HTRUST IFA

Deloitte & Touche Corporate Finance Pte Ltd has been appointed as the independent financial adviser to advise the A-HTRUST Independent Directors and the A-HTRUST REIT Trustee on the terms of the A-HTRUST Scheme, in compliance with the provisions of the Code.

A-HTRUST Stapled Securityholders should consider carefully the recommendation of the A-HTRUST Independent Directors and the advice of the A-HTRUST IFA to the A-HTRUST Independent Directors and to the A-HTRUST REIT Trustee before deciding whether or not to vote in favour of the A-HTRUST Scheme.

The advice of the A-HTRUST IFA in relation to the A-HTRUST Scheme is set out in the A-HTRUST IFA Letter as set out in Appendix A to this Scheme Document.

18.2 A-HTRUST IFA Opinion on the A-HTRUST Scheme

After having regard to the considerations set out in the A-HTRUST IFA Letter, and based on the information available to the A-HTRUST IFA as at the Latest Practicable Date, the A-HTRUST IFA has given its advice in respect of the A-HTRUST Scheme to the A-HTRUST Independent Directors and the A-HTRUST REIT Trustee (an extract of which is reproduced in italics below).

A-HTRUST Stapled Securityholders should read the following extract in conjunction with, and in the context of, the A-HTRUST IFA Letter in its entirety as set out in Appendix A to this Scheme Document.

“In arriving at our recommendation, we have taken into account the following factors which we consider to have a significant bearing on our assessment of the Scheme:

- (1) The strategic rationale for the Scheme;*
- (2) The Scheme Consideration is higher than the closing prices recorded for A-HTRUST Stapled Securities at all times in the five-year period prior to the Last Closing Price Date;*
- (3) The Scheme Consideration represents a premium of 31.8%, 24.0%, 18.9%, 13.8%, 11.3% and 11.9% over the VWAP for the A-HTRUST Stapled Securities for the one-year, six-month, three-month, one-month and one-week periods prior to and including the Last Closing Price Date respectively;*
- (4) The cash component of the Scheme Consideration is in line with the two precedent real-estate based S-REIT amalgamations. Such cash component gives an option to A-HTRUST Stapled Securityholders either to reinvest to maintain their proportionate interest or to treat such component as a partial realisation of their investment;*

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- (5) *The Scheme Consideration represents a P/NAV multiple of 1.10x as at the Last Closing Price Date based upon the unaudited financial statements of A-HTRUST as at 30 June 2019. This is significantly higher than the P/NAV multiples achieved by the A-HTRUST Stapled Securities over the six-month and twelve-month periods prior to the Last Closing Price Date;*
- (6) *The P/NAV multiple of 1.10x implied by the Scheme Consideration is within the range of such multiples of 0.79x and 1.11x for selected comparable hospitality S-REITs as at the Last Practicable Date;*
- (7) *The issue price of Consideration Units represents premium of 17.8%, 12.4%, 8.2%, 3.7%, 2.5% and 2.2% over the VWAP for the Ascott Reit Units for the one-year, six-month, three-month, one-month and one-week periods prior to and including the Last Closing Price Date respectively. These premia are at all points substantially lower than the premia for equivalent periods for the Scheme Consideration over the VWAP for the A-HTRUST Stapled Securities;*
- (8) *The issue price of the Consideration Units represents a P/NAV multiple of 1.03x as at the Last Closing Price Date. This represents a premium over the mean P/NAV multiple but is in line with the median P/NAV multiple for the Ascott Reit Units for the six-month and twelve-month periods prior to the Last Closing Price Date. We note that the implied P/NAV of Scheme Consideration for the A-HTRUST Stapled Securities is higher than that for the Ascott Reit Units on all the measures presented;*
- (9) *The P/NAV of 1.03x implied by the issue price for Consideration Units is within the range of multiples for the selected comparable hospitality S-REITs but slightly higher than the mean and median multiples as at the Last Closing Price Date;*
- (10) *The assurance given by the SSA 805 opinion where A-HTRUST Auditors have rendered an unqualified opinion. We note that the A-HTRUST Auditors have also considered the carrying value of the serviced apartment properties held by Ascott Reit and its subsidiaries as of 30 June 2019.*
- (11) *The premia of 11.5% and 19.0% implied by the A-HTRUST Scheme Consideration over the prevailing P/NAV of the A-HTRUST Stapled Securities as at the Last Closing Price Date is substantially higher than the equivalent premia offered to the target S-REITs in each of the two precedent amalgamation transactions. However, such premia are less than the equivalent premia offered to the target S-REITs in each of the three precedent takeover transactions. This may in part be explained by the fact that the A-HTRUST Scheme is a Combination whereby A-HTRUST Stapled Securityholders obtain a new security which will in time be listed on the SGX-ST;*
- (12) *The premium implied by the A-HTRUST Scheme Consideration is lower than the mean and median premia for Precedent Privatisation Transactions for all periods selected to compute VWAP. This may in part be explained by the fact that the A-HTRUST Scheme is a Combination whereby A-HTRUST Stapled Securityholders obtain a new security which will in time be listed on the SGX-ST;*

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- (13) *On the basis presented and using the assumptions made, if the Combination had been completed on 1 April 2018, the pro forma distribution attributable to A-HTRUST Stapled Securityholders for the FY ended 31 March 2019 would have been 1.8% higher than the distribution that would have been received during the same period if the Ascott REIT's historical pay-out ratio had been applied to the Combined Entity; and*
- (14) *The Combination is not expected to have any material impact on the NAV attributable to A-HTRUST Stapled Securityholders.*

Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the opinion that the financial terms of the A-HTRUST Scheme are fair and reasonable. Accordingly, we advise the A-HTRUST Independent Directors to recommend that the A-HTRUST Stapled Securityholders vote in favour of the A-HTRUST Scheme Resolution.”

19. RECOMMENDATIONS BY A-HTRUST DIRECTORS

19.1 Independence

- (a) The SIC has ruled that the Conflicted Directors are exempted from the requirements to make a recommendation on the A-HTRUST Scheme to the A-HTRUST Stapled Securityholders as they face irreconcilable conflicts of interest.
- (i) Mr. Miguel Ko is the Chief Executive Officer and a director of CLA. As a result of CapitaLand's acquisition of Ascendas Pte Ltd and Singbridge Pte. Ltd. which completed on 28 June 2019, CLA owns approximately 50.48% of the issued and paid-up share capital in CapitaLand. On 6 August 2019, Mr. Miguel Ko was appointed as the Deputy Chairman and Non-Executive Non-Independent Director of CapitaLand.
- (ii) With effect from 1 July 2019, Mr. Manohar Khiatani has been appointed a Senior Executive Director of CapitaLand. Mr. Manohar Khiatani assists the Group Chief Executive Officer of CapitaLand in several matters including those relating to organisation integration and the India and business parks businesses. Mr. Manohar Khiatani also oversees several of the Group Centres of Excellence of CapitaLand.
- (b) Nonetheless, the Conflicted Directors will, together with the remainder of A-HTRUST Directors, still assume responsibility for the accuracy of the facts stated and the completeness of the information given by the A-HTRUST Managers to the A-HTRUST Stapled Securityholders of the A-HTRUST Scheme, including information contained in announcements and documents issued by or on behalf of A-HTRUST in connection with the A-HTRUST Scheme.
- (c) Save for the Conflicted Directors, all the other A-HTRUST Directors consider themselves independent for the purposes of making a recommendation on the A-HTRUST Scheme to the A-HTRUST Stapled Securityholders.

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19.2 Recommendation

The A-HTRUST Trust Deeds Amendments and the A-HTRUST Scheme

Having regard to the above and the rationale for the A-HTRUST Trust Deeds Amendments as set out in Paragraph 3 of the Letter to A-HTRUST Stapled Securityholders, the A-HTRUST Directors are of the opinion that the A-HTRUST Trust Deeds Amendments would be beneficial to, and be in the interests of A-HTRUST.

Accordingly, the A-HTRUST Directors recommend that A-HTRUST Stapled Securityholders **VOTE IN FAVOUR** of the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting.

Further, the A-HTRUST Independent Directors, having considered carefully the terms of the A-HTRUST Scheme, the advice given by the A-HTRUST IFA in the A-HTRUST IFA Letter and having taken into account the various factors set out in the A-HTRUST IFA Letter (an extract of which is set out in Paragraph 18.2 above), including the A-HTRUST Auditors Opinion and the independent valuation undertaken by HVS for the properties owned by Ascott Reit as of 30 June 2019, recommend that A-HTRUST Stapled Securityholders **VOTE IN FAVOUR** of the A-HTRUST Scheme at the Scheme Meeting.

The A-HTRUST Stapled Securityholders are reminded that upon the A-HTRUST Scheme becoming effective in accordance with its terms, it will be binding on all A-HTRUST Stapled Securityholders, whether or not they attended or voted at the Scheme Meeting, and, if they attended and voted at the Scheme Meeting, whether or not they voted in favour of the A-HTRUST Scheme.

The A-HTRUST Stapled Securityholders should also be aware and note that there is no assurance that the trading volumes and market prices of the A-HTRUST Stapled Securities will be maintained at the current levels prevailing as at the Latest Practicable Date if the A-HTRUST Scheme does not become effective and binding for whatever reason. The A-HTRUST Stapled Securityholders should also be aware and note that there is currently no certainty that the A-HTRUST Scheme will become effective and binding.

The A-HTRUST Stapled Securityholders should read and consider carefully this Scheme Document in its entirety, and in particular the advice of the A-HTRUST IFA set out in the A-HTRUST IFA Letter as set out in Appendix A to this Scheme Document, before deciding whether or not to vote in favour of the A-HTRUST Scheme.

19.3 No Regard to Specific Objectives

The A-HTRUST Independent Directors advise A-HTRUST Stapled Securityholders, in deciding whether or not to vote in favour of the A-HTRUST Scheme, to carefully consider the advice of the A-HTRUST IFA and in particular, the various considerations highlighted by the A-HTRUST IFA in the A-HTRUST IFA Letter as set out in Appendix A to this Scheme Document.

In giving the above recommendation, the A-HTRUST Independent Directors have not had regard to the specific objectives, financial situation, tax position, tax status, risk profiles or particular needs and constraints and circumstances of any individual A-HTRUST Stapled Securityholder.

LETTER TO A-HTRUST STAPLED SECURITYHOLDERS

As each A-HTRUST Stapled Securityholder would have different investment objectives and profiles, the A-HTRUST Independent Directors recommend that any individual A-HTRUST Stapled Securityholder who may require advice in the context of his specific investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

20. RESPONSIBILITY STATEMENT

The A-HTRUST Directors collectively and individually accept full responsibility for the accuracy of the information given in this Scheme Document (other than the information in Appendices A, B and G to this Scheme Document, and any information relating to or opinions expressed by Ascott Reit and/or the Ascott Reit Manager, the Ascott Reit Auditors, the A-HTRUST Auditors and/or the A-HTRUST IFA) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Scheme Document constitutes full and true disclosure of all material facts about the Combination, the A-HTRUST Scheme, the A-HTRUST Group, and the A-HTRUST Managers, and the A-HTRUST Directors are not aware of any facts the omission of which would make any statement in this Scheme Document misleading.

Where any information in this Scheme Document has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including Ascott Reit and/or the Ascott Reit Manager the Ascott Reit Auditors, the A-HTRUST Auditors and/or the A-HTRUST IFA), the sole responsibility of the A-HTRUST Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Scheme Document in its proper form and context.

In respect of the A-HTRUST IFA Letter and the A-HTRUST Auditors Opinion, the sole responsibility of the A-HTRUST Directors has been to ensure that the facts stated with respect to the A-HTRUST Group are fair and accurate.

21. GENERAL INFORMATION

Your attention is drawn to the further relevant information in the Appendices to this Scheme Document.

Yours faithfully
By Order of the Board of Directors

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

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**APPENDIX A – LETTER FROM THE A-HTRUST IFA TO THE A-HTRUST
INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE
IN RESPECT OF THE A-HTRUST SCHEME**

INDEPENDENT FINANCIAL ADVISER'S LETTER

**DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD
(Incorporated in the Republic of Singapore)
Company Registration Number: 200200144N**

26 September 2019

The Independent Directors
Ascendas Hospitality Fund Management Pte. Ltd. (the "**A-HTRUST REIT Manager**")
in its capacity as manager of Ascendas Hospitality Real Estate Investment Trust ("**A-HTRUST REIT**")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

The Independent Directors
Ascendas Hospitality Trust Management Pte. Ltd. (the "**A-HTRUST BT Trustee-Manager**")
in its capacity as manager of Ascendas Hospitality Business Trust ("**A-HTRUST BT**")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

Perpetual (Asia) Limited
in its capacity as trustee of A-HTRUST REIT (the "**A-HTRUST REIT Trustee**")
8 Marina Boulevard
#05-02 Marina Bay Financial Centre
Singapore 018981

Dear Sir/ Madam

**INDEPENDENT FINANCIAL ADVISER'S LETTER IN RELATION TO THE PROPOSED
COMBINATION OF ASCOTT RESIDENCE TRUST AND ASCENDAS HOSPITALITY TRUST BY WAY
OF A TRUST SCHEME OF ARRANGEMENT**

*For the purpose of this letter, capitalised terms not otherwise defined shall have the meaning given to them in the scheme document dated 26 September 2019 (the "**Scheme Document**") of Ascendas Hospitality Trust in relation to the above matters.*

1. INTRODUCTION

1.1. The Combination and the A-HTRUST Scheme

On 3 July 2019, the respective boards of directors of the A-HTRUST Managers and the Ascott Reit Manager jointly announced the Combination, which shall be effected through the acquisition by Ascott Reit of all the A-HTRUST Stapled Securities held by the A-HTRUST Stapled Securityholders by way of a trust scheme of arrangement in compliance with the Code.

APPENDIX A – LETTER FROM THE A-HTRUST IFA TO THE A-HTRUST INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE IN RESPECT OF THE A-HTRUST SCHEME

1.2. Proposed A-HTRUST Trust Deeds Amendments

In connection with the implementation of the A-HTRUST Scheme, it was also announced that the A-HTRUST Managers propose to amend the A-HTRUST Trust Deeds to include the A-HTRUST Trust Deeds Amendments to facilitate the implementation of the A-HTRUST Scheme.

1.3. Summary of Approvals Sought

(A) A-HTRUST Trust Deeds Amendments Resolution

The A-HTRUST Managers are convening the Extraordinary General Meeting to seek approval for the A-HTRUST Trust Deeds Amendments Resolution.

(B) A-HTRUST Scheme Resolution

In addition, the A-HTRUST Managers are convening the Scheme Meeting to seek the approval of a majority in number of the A-HTRUST Stapled Securityholders representing at least 75% in value of the A-HTRUST Stapled Securities held by the A-HTRUST Stapled Securityholders present and voting either in person or by proxy at the Scheme Meeting to approve the A-HTRUST Scheme Resolution, subject to and contingent upon the approval of the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting.

The A-HTRUST Scheme Resolution is contingent upon the approval of the A-HTRUST Trust Deeds Amendments Resolutions at the Extraordinary General Meeting. In the event that the A-HTRUST Trust Deeds Amendments Resolution is not passed at the Extraordinary General Meeting, the A-HTRUST Managers will not proceed with the convening of the Scheme Meeting. This means that the A-HTRUST Scheme cannot be implemented by the A-HTRUST Managers and the Ascott Reit Manager unless both the A-HTRUST Trust Deeds Amendments Resolution and the A-HTRUST Scheme Resolution are passed at the Extraordinary General Meeting and the Scheme Meeting respectively.

In addition, the A-HTRUST Scheme will only come into effect if all the Combination Conditions set out in Paragraph 2.5(a) have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement.

A-HTRUST Stapled Securityholders should note that the Scheme will become effective and binding on all A-HTRUST Stapled Securityholders if approval is obtained by a majority in number of Stapled Securityholders present and voting in person or by proxy representing at least 75% in value of the Stapled Securities.

1.4. Appointment of Independent Financial Adviser (“IFA”)

Deloitte & Touche Corporate Finance Pte Ltd (“**Deloitte**”) has been appointed to advise the A-HTRUST Independent Directors and the A-HTRUST REIT Trustee as to whether the financial terms of the A-HTRUST Scheme are fair and reasonable and as to whether the A-HTRUST Independent Directors should recommend to A-HTRUST Stapled Securityholders to vote in favour of or against the A-HTRUST Scheme Resolution. Our appointment has been made in accordance with the provisions of the Takeover Code and Rule 1309(2) of the Listing Manual.

This letter sets out our assessment of the financial terms of the A-HTRUST Scheme and our recommendation to the A-HTRUST Independent Directors and the A-HTRUST REIT Trustee. It will form part of the Scheme Document to provide the recommendations of the A-HTRUST Independent Directors on the actions to be taken by the A-HTRUST Stapled Securityholders.

2. TERMS OF REFERENCE

We have confined our evaluation and assessment to the financial terms of the A-HTRUST Scheme and have not taken into account the commercial risks or commercial merits of the A-HTRUST Scheme.

APPENDIX A – LETTER FROM THE A-HTRUST IFA TO THE A-HTRUST INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE IN RESPECT OF THE A-HTRUST SCHEME

We have not been requested and we do not express any advice or give any opinion on the merits of the A-HTRUST Scheme relative to any other alternative. We were not involved in the negotiations pertaining to the A-HTRUST Scheme nor were we involved in the deliberations leading up to the decision to put forth the Scheme for the approval of the A-HTRUST Stapled Securityholders.

The scope of our appointment does not require us to express and we do not express any view on the future growth prospects, financial position or earnings potential of A-HTRUST. Such evaluation or comments remains the responsibility of the A-HTRUST Directors although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion. The opinion set forth herein is based solely on publicly available information as well as information provided by the A-HTRUST Directors. This Letter therefore does not reflect any projections on the future financial performance of A-HTRUST.

We have not been requested or authorised to solicit and we have not solicited any indications of interest from any third party with respect to the A-HTRUST Stapled Securities. In that regard, we have not addressed the relative merits of the Scheme in comparison with any alternative transaction that A-HTRUST may consider in the future. Therefore we do not express any views in these areas in arriving at our recommendations.

In formulating our opinion and recommendation, we have held discussions with the A-HTRUST Directors and the management of A-HTRUST and have relied to a considerable extent on the information set out in the Scheme Document, other public information collated by us and the information, representations, opinions, facts and statements provided to us whether written or verbal by A-HTRUST and its professional advisers. Whilst care has been exercised in reviewing the information we have relied upon and we have made reasonable enquiries and exercised judgement in the use of such information, we have not independently verified the information both written and verbal and accordingly cannot and do not make any representation or warranty, express or implied, in respect of, and do not accept any responsibility for the accuracy, completeness or adequacy of such information.

The A-HTRUST Directors have confirmed, having made all reasonable inquiries and to the best of their respective knowledge, information and belief, all material information in connection with the A-HTRUST Scheme and the related matters in connection with the Combination and A-HTRUST have been disclosed to us, that such information is true, complete and accurate in all material respects and that there is no other material information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to A-HTRUST stated in the Scheme Document to be inaccurate, incomplete or misleading in any material respect. The A-HTRUST Directors have jointly and severally accepted full responsibility for such information described herein. Accordingly, no representation or warranty, express or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information.

The information which we relied on is based upon market, economic, industry, monetary and other conditions prevailing as at the Latest Practicable Date and may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion or assumptions in light of any subsequent development after the Latest Practicable Date that may affect our opinion or assumptions contained herein. The A-HTRUST Stapled Securityholders should take note of any announcements relevant to their consideration of the Scheme which may be released after the Latest Practicable Date.

In rendering our advice and giving our recommendation, we have not had regard to the general or specific investment objectives, financial situation, risk profiles, tax position or particular needs and constraints of individual A-HTRUST Stapled Securityholders. As each A-HTRUST Stapled Securityholder may have different investment profiles and objectives, we advise the A-HTRUST Independent Directors to recommend that the A-HTRUST Stapled Securityholders who may require specific advice in relation to their investment portfolio should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

APPENDIX A – LETTER FROM THE A-HTRUST IFA TO THE A-HTRUST INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE IN RESPECT OF THE A-HTRUST SCHEME

A-HTRUST has been separately advised by its own professional advisers in the preparation of the Scheme Document. We have had no role or involvement and have not and will not provide any advice (financial or otherwise) in the preparation, review and verification of the Scheme Document. Accordingly, we take no responsibility for and express no view, whether express or implied, on the contents of the Scheme Document.

We hereby consent to a copy of this Letter to be reproduced in the Scheme Document and save for such use in the Scheme Document and in the related Court Hearings, neither A-HTRUST nor the A-HTRUST Directors or the A-HTRUST REIT Trustee may reproduce, disseminate or quote this Letter (or any part thereof) for any other purposes at any time and in any manner, without the prior written consent of Deloitte in each specific case.

Our opinion is addressed to the A-HTRUST Independent Directors and the A-HTRUST REIT Trustee for their benefit and deliberation in respect of the Scheme. The recommendations made by the A-HTRUST Independent Directors to the A-HTRUST Stapled Securityholders in relation to the Scheme shall remain the responsibility of the A-HTRUST Independent Directors. Our recommendation to the A-HTRUST Independent Directors and the A-HTRUST REIT Trustee in relation to the Scheme should be considered in the context of the entirety of this Letter and the Scheme Document.

3. INFORMATION ON THE OFFEREE AND THE OFFEROR

3.1 The Offeree

A-HTRUST

A-HTRUST is a stapled group comprising A-HTRUST REIT and A-HTRUST BT, established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate used predominantly for hospitality purposes, as well as real estate-related assets in connection with the foregoing. A-HTRUST was listed on the SGX-ST on 27 July 2012. Each A-HTRUST REIT Unit is Stapled to one A-HTRUST BT Unit under the terms of the A-HTRUST Stapling Deed. As at the Joint Announcement Date, A-HTRUST's portfolio comprises 14 properties with over 4,700 rooms in seven cities across four countries in the Asia Pacific region.

A-HTRUST REIT Manager

The A-HTRUST REIT Manager was incorporated in Singapore on 23 November 2011. It manages A-HTRUST REIT's assets and liabilities for the benefit of the A-HTRUST Stapled Securityholders by setting the strategic direction of A-HTRUST REIT and making recommendations to the A-HTRUST REIT Trustee on the acquisition, divestment, development and/or enhancement of the assets of A-HTRUST REIT.

As at the Latest Practicable Date, the A-HTRUST REIT Manager has an issued and paid-up share capital of S\$1,000,001 all of which is held by Ascendas Investment Pte Ltd, which is a wholly-owned subsidiary of CapitaLand. The A-HTRUST REIT Manager holds a Capital Market Services Licence for Real Estate Investment Trust Management pursuant to the SFA.

As at the Latest Practicable Date, the board of directors of the A-HTRUST REIT Manager comprises the following:

- (i) Mr. Miguel Ko (Chairman and Non-Executive Director);
- (ii) Mr. Chia Kim Huat (Lead Independent Director);
- (iii) Mr. Manohar Khatani (Non-Executive Director);
- (iv) Mr. Tan Juay Hiang (Chief Executive Officer);
- (v) Mr. Robert Hecker (Independent Director);
- (vi) Mr. Michael Issenberg (Non-Executive Director);
- (vii) Ms. Deborah Lee Siew Yin (Independent Director);
- (viii) Mr. Patrick Lee Fook Yau (Independent Director); and

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(ix) Mr. Willy Shee Ping Yah (Independent Director).

A-HTRUST BT Trustee-Manager

The A-HTRUST BT Trustee-Manager was incorporated in Singapore on 13 December 2011. It has the dual responsibilities of safeguarding the interests of the A-HTRUST Stapled Securityholders and of managing the business conducted by A-HTRUST BT. The A-HTRUST BT Trustee-Manager has general powers of management over the business and assets of A-HTRUST BT for the benefit of the A-HTRUST Stapled Securityholders as a whole.

As at the Latest Practicable Date, the A-HTRUST BT Trustee-Manager has an issued and paid-up share capital of S\$1,000,000 all of which is held by Ascendas Investment Pte Ltd, which is a wholly-owned subsidiary of CapitalLand.

As at the Latest Practicable Date, the board of directors of the A-HTRUST BT Trustee-Manager is the same as that of the A-HTRUST REIT Manager.

3.2 The Offeror

Ascott Reit

Ascott Reit is a real estate investment trust constituted on 19 January 2006 under the laws of the Republic of Singapore. Ascott Reit is Singapore's first and largest hospitality real estate investment trust with an asset size of S\$5.5 billion as at 30 June 2019. It has been listed on the SGX-ST since March 2006. Ascott Reit was established with the objective of investing primarily in real estate and real estate-related assets which are income-producing and which are used or predominantly used as serviced residences, rental housing properties and other hospitality assets. As at the Joint Announcement Date, Ascott Reit's international portfolio comprises 74 properties with over 11,700 units in thirty-seven cities across fourteen countries in Asia Pacific, Europe and the United States of America.

The Ascott Reit Manager and Ascott BT Trustee-Manager

Ascott Reit is managed by the Ascott Reit Manager. The Ascott Reit Manager holds a Capital Market Services Licence for Real Estate Investment Trust Management pursuant to the SFA.

On 9 September 2019, Ascott Reit established a wholly-owned business trust, Ascott Business Trust, the Ascott BT. The trustee of Ascott BT is Ascott Business Trust Management Pte. Ltd. ("**Ascott BT Trustee-Manager**" and, together with the Ascott Reit Manager, the "**Ascott Reit-BT Managers**"). After the registration of Ascott BT as a registered business trust under the BTA, the trustee-manager of Ascott BT will be the Ascott BT Trustee-Manager.

Each Ascott Reit-BT Manager is a wholly-owned subsidiary of CapitalLand.

As at the Latest Practicable Date, the board of directors of the Ascott Reit Manager comprises the following persons:

- (i) Mr. Tan Beng Hai, Bob (Chairman and Non-Executive Independent Director);
- (ii) Ms. Beh Siew Kim (Chief Executive Officer and Executive Non-Independent Director);
- (iii) Mr. Zulkifli Bin Baharudin (Non-Executive Independent Director);
- (iv) Mr. Sim Juat Quee Michael Gabriel (Non-Executive Independent Director);
- (v) Ms. Elaine Carole Young (Non-Executive Independent Director);
- (vi) Mr. Lee Chee Koon (Non-Executive Non-Independent Director); and
- (vii) Mr. Lim Cho Pin Andrew Geoffrey (Non-Executive Non-Independent Director).

As at the Latest Practicable Date, the board of directors of the Ascott BT Trustee-Manager comprises Ms. Beh Siew Kim. On or prior to the registration of Ascott BT as a registered business trust under the BTA, the following persons shall be appointed on the board of directors of the Ascott BT Trustee-Manager, such that the boards of the Ascott Reit-BT Managers comprise the

APPENDIX A – LETTER FROM THE A-HTRUST IFA TO THE A-HTRUST INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE IN RESPECT OF THE A-HTRUST SCHEME

same persons: Mr. Tan Beng Hai, Bob, Mr. Zulkifli Bin Baharudin, Mr. Sim Juat Quee Michael Gabriel, Ms. Elaine Carole Young, Mr. Lee Chee Koon and Mr. Lim Cho Pin Andrew Geoffrey.

The unitholding percentages of the CapitaLand Entities and the remaining Ascott Reit Unitholders and A-HTRUST Stapled Securityholders (as the case may be) as at the Latest Practicable Date in each of Ascott Reit, A-HTRUST and the Combined Entity are set out in Paragraph 6.5 of Schedules A of the Offeror's Letter.

4. DETAILS OF THE COMBINATION AND A-HTRUST SCHEME

4.1 Terms of the A-HTRUST Scheme

It is proposed that the A-HTRUST Scheme be effected in accordance with the Code and the A-HTRUST Trust Deeds (to be amended and supplemented by the A-HTRUST Trust Deeds Amendments as explained below), subject to the terms and conditions of the Implementation Agreement.

The steps to be taken to implement the Combination by way of the A-HTRUST Scheme Combination are described in paragraph 11.2 of the Scheme Document. These steps will result in the Ascott Reit Trustee holding 100% of the A-HTRUST REIT Units and the Ascott BT Trustee-Manager holding 100% of the A-HTRUST BT Units, in each case on an Unstapled basis as at the A-HTRUST Scheme Implementation Date.

In consideration of the transfer of the A-HTRUST REIT Units and the A-HTRUST BT Units, each of the Ascott Reit Trustee and the Ascott BT Trustee-Manager will, upon the A-HTRUST Scheme becoming effective in accordance with its terms, pay or procure the payment of S\$1.0868 per A-HTRUST Stapled Security held by each of the A-HTRUST Stapled Securityholders as at the A-HTRUST Scheme Entitlement Date, which shall be satisfied by:

- (A) the payment by the Ascott Reit Trustee and the Ascott BT Trustee-Manager of the Cash Consideration of S\$0.0543 in cash for each A-HTRUST Stapled Security; and
- (B) the allotment and issue by the Ascott Reit Trustee and the Ascott BT Trustee-Manager of the Consideration Units of 0.7942 Ascott Reit-BT Stapled Units at an issue price of S\$1.30 for each Consideration Unit and credited as fully paid as follows:
 - (1) the allotment and issue by the Ascott Reit Trustee of new Ascott Reit Units on an unstapled basis as part of the Scheme Consideration; and
 - (2) the allotment and issue by the Ascott BT Trustee-Manager of new Ascott BT Units on an unstapled basis as part of the Scheme Consideration,

on terms that immediately after such issuance and receipt thereof by the A-HTRUST Stapled Securityholder, each such new Ascott Reit Unit will be stapled with one Ascott BT Unit so as to form one Ascott Reit-BT Stapled Unit in accordance with the Ascott Reit-BT Stapling Deed.

The Scheme Consideration implies a gross exchange ratio of 0.836 times, which was derived from the audited NAV for each A-HTRUST Stapled Security as at 31 March 2019 of S\$1.02 divided by the audited NAV for each Ascott Reit Unit as at 31 December 2018 of S\$1.22.

The Scheme Consideration was determined based on commercial negotiations between the Ascott Reit Manager and the A-HTRUST Managers. Factors taken into account in arriving at the Scheme Consideration included (without limitation): (A) the implied value of the Scheme Consideration relative to the historical trading prices and NAV of Ascott Reit and A-HTRUST; and (B) the DPU and NAV accretion to the A-HTRUST Stapled Securityholders on a historical pro forma basis.

APPENDIX A – LETTER FROM THE A-HTRUST IFA TO THE A-HTRUST INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE IN RESPECT OF THE A-HTRUST SCHEME

The aggregate Cash Consideration to be paid to each A-HTRUST Stapled Securityholder shall be rounded to the nearest S\$0.01. The number of Consideration Units which each A-HTRUST Scheme Unitholder shall be entitled to pursuant to the A-HTRUST Scheme based on the number of A-HTRUST Scheme Units held by such A-HTRUST Scheme Unitholder as at the A-HTRUST Scheme Entitlement Date shall be rounded down to the nearest whole number and fractional entitlements shall be disregarded.

By way of illustration, if the A-HTRUST Scheme becomes effective in accordance with its terms, an A-HTRUST Scheme Unitholder will receive S\$54.30 in cash and 794 Ascott Reit-BT Stapled Units for every 1,000 A-HTRUST Stapled Securities held by him/her as at the A-HTRUST Scheme Entitlement Date.

A-HTRUST Stapled Securityholders should also note that they may receive odd-lots of Ascott Reit-BT Stapled Units pursuant to the A-HTRUST Scheme.

The details of the means by which Cash Consideration will be paid to Entitled Stapled Securityholders upon implementation of the A-HTRUST Scheme are given in paragraph 11.3 (a) of the Scheme Document.

The details of the process of issuance of Consideration Units to Entitled Stapled Securityholders upon implementation of the A-HTRUST Scheme given in paragraph 11.3 (b) of the Scheme Document.

Further detailed information of the A-HTRUST Scheme can be found in Appendix J of the Scheme Document.

4.2 Permitted Distributions

Subject to the terms and conditions of the Implementation Agreement, the A-HTRUST Managers are permitted to declare, pay or make distributions to the A-HTRUST Stapled Securityholders (the "**A-HTRUST Permitted Distributions**"):

- (A) the distributions which have been declared, or which any A-HTRUST Manager is under a contractual obligation to make or pay but has not made or paid (in each case, where such declaration or obligation has been disclosed to the Ascott Reit Trustee and the Ascott Reit Manager), prior to the Joint Announcement Date; or
- (B) the distributions declared, paid or made or to be declared, paid or made in the ordinary course of business and to the extent consistent with past practice by any A-HTRUST Manager to the A-HTRUST Stapled Securityholders in respect of the period from 1 April 2019 up to (and including) the A-HTRUST Scheme Implementation Date (including any clean-up distribution to the A-HTRUST Stapled Securityholders in respect of the period from the day following the latest completed financial half year of A-HTRUST preceding the Effective Date, up to (and including) the A-HTRUST Scheme Implementation Date),

provided that, for this purpose, the A-HTRUST Permitted Distributions shall include any and all distributions declared, paid or made or to be declared, paid or made in respect of any net gains (after taking into consideration applicable taxes and transaction fees, costs and expenses) arising from any divestments by any A-HTRUST Group Entity effected or completed on or after 1 April 2019, up to (and including) the A-HTRUST Scheme Implementation Date;

subject to the terms and conditions of the Implementation Agreement, the Ascott Reit Manager is permitted to declare, pay or make distributions to the Ascott Reit Unitholders (the "**Ascott Reit Permitted Distributions**"):

- (A) the distributions which have been declared, or which the Ascott Reit Manager is under a contractual obligation to make or pay but has not made or paid (in each case, where such declaration or obligation has been disclosed to the A-HTRUST REIT Trustee and the A-HTRUST Managers), prior to the Joint Announcement Date; or

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- (B) the distributions declared, paid or made or to be declared, paid or made in the ordinary course of business and to the extent consistent with past practice by the Ascott Reit Manager to the Ascott Reit Unitholders in respect of the period from 1 January 2019 up to (and including) the A-HTRUST Scheme Implementation Date (including any clean-up distribution to the Ascott Reit Unitholders in respect of the period from the day following the latest completed financial half year of Ascott Reit preceding the Effective Date, up to (and including) the A-HTRUST Scheme Implementation Date,

provided that for this purpose, the Ascott Reit Permitted Distributions shall include any and all distributions declared, paid or made or to be declared, paid or made in respect of any net gains (after taking into consideration applicable taxes and transaction fees, costs and expenses) arising from any investments by any Ascott Reit Group Entity effected or completed on or after 1 January 2019, up to (and including) the A-HTRUST Scheme Implementation Date.

The A-HTRUST Managers and the Ascott Reit Manager shall be entitled to declare, make or pay the A-HTRUST Permitted Distributions and the Ascott Reit Permitted Distributions (as the case may be) without any adjustment to the Scheme Consideration.

The A-HTRUST Scheme Unitholders shall have the right to receive and retain the A-HTRUST Permitted Distributions in addition to the Scheme Consideration.

The Ascott Reit Manager reserves the right to adjust the Scheme Consideration by reducing the cash component of the Scheme Consideration, the unit component of the Scheme Consideration or by any combination of such cash and unit components, if and to the extent any distribution in excess of the A-HTRUST Permitted Distributions is declared, made or paid by the A-HTRUST Managers on or after the Joint Announcement Date.

4.3 Consideration Units

The Consideration Units will:

- (A) when issued, be duly authorised, validly issued and fully paid-up and will rank *pari passu* in all respects with the existing Ascott Reit-BT Stapled Units as at the date of their issue;
- (B) be issued free from any and all Encumbrances and restrictions on transfers and no person shall have any rights of pre-emption over the Consideration Units; and
- (C) be issued at an issue price of S\$1.30 for each Ascott Reit-BT Stapled Unit, being the price agreed between the Parties at which the Consideration Units will be issued.

4.4 Combination Conditions

The Combination is conditional upon the satisfaction (or, where applicable the waiver) of the Combination Conditions set out Paragraph 2.5(a) to this Scheme Document.

If each of the Combination Conditions is satisfied or, as the case may be, has been waived in accordance with the terms of the Implementation Agreement, the A-HTRUST Scheme will come into effect within 10 Business Days from the date that the last of the Combination Conditions set out in Paragraphs 2.5(a)(i), (ii) and (iii) has been satisfied or waived and provided that the Combination Conditions set out in Paragraphs 2.5(a)(iv), 2.5(a)(v), 2.5(a)(vi) and 2.5(a)(vii) have been satisfied or waived on the Relevant Date.

4.5 Effective Date

The A-HTRUST Scheme will become effective upon the lodgement of the A-HTRUST Scheme Court Order with the MAS or the notification to the MAS of the grant of the A-HTRUST Scheme Court Order, as the case may be, which shall be effected by the A-HTRUST Managers:

APPENDIX A – LETTER FROM THE A-HTRUST IFA TO THE A-HTRUST INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE IN RESPECT OF THE A-HTRUST SCHEME

- (A) within 10 Business Days from the date that the last of the Combination Conditions set out in Paragraphs 2.5(a)(i), 2.5(a)(ii) and 2.5(a)(iii) is satisfied or waived, as the case may be, in accordance with the terms of the Implementation Agreement; and
- (B) provided that the Combination Conditions set out in Paragraphs 2.5(a)(iv), 2.5(a)(v), 2.5(a)(vi) and 2.5(a)(vii) are satisfied or waived on the Relevant Date, as the case may be, in accordance with the terms of the Implementation Agreement.

4.6 Waiver of Rights to a General Offer

The A-HTRUST Stapled Securityholders should note that by voting in favour of the A-HTRUST Scheme, the A-HTRUST Stapled Securityholders will be deemed to have waived their rights to a general offer by the Ascott Reit Manager Concert Party Group to acquire the A-HTRUST Stapled Securities under the Code (in respect of the A-HTRUST Scheme only) and are agreeing to the Ascott Reit Manager Concert Party Group acquiring or consolidating effective control of A-HTRUST by way of the A-HTRUST Scheme without having to make a general offer.

5. SIC RULINGS AND CONFIRMATIONS

Pursuant to the application made by the Ascott Reit Manager to the SIC to seek SIC's rulings and confirmations on certain matters in relation to the A-HTRUST Scheme, the SIC has confirmed on 2 July 2019, inter alia, that:

- (A) the A-HTRUST Scheme is exempted from Rule 14, Rule 15, Rule 16, Rule 17, Note 1(b) on Rule 19, Rule 20.1, Rule 21, Rule 22, Rule 28, Rule 29 and Rule 33.2 of the Code;
- (B) it has no objections to the Combination Conditions;
- (C) the declaration, making and payment of the A-HTRUST Permitted Distributions, if any, will not be a breach by the A-HTRUST Managers of Note 3 on Rule 5 of the Code;
- (D) it has no objections to certain limited scope of proposed disclosures with respect to unitholding in A-HTRUST in the interests of confidentiality;
- (E) only the Ascott Reit Directors (not the directors of CapitaLand) would be required to provide responsibility statements in respect of any documents issued in connection with the Combination, and that the financial information required to be presented under Rule 23.4 of the Code be limited to that of the Ascott Reit Group (and not the CapitaLand Group);
- (F) with respect to Ascott Reit, Rule 11.3 of the Code, and with respect to A-HTRUST, Rule 5 of the Code, be waived, and the Ascott Reit Manager or the A-HTRUST Managers (as the case may be) be permitted to elect to receive a portion of its fees (which may include base management fees, performance management fees, acquisition fees and divestment fees) in Ascott Reit Units or A-HTRUST Stapled Securities (as the case may be), if any such fees are due to be paid during the offer period in respect of the A-HTRUST Scheme. The SIC has confirmed the waiver of Rule 5 of the Code with respect to A-HTRUST on the assumption that the Ascott Reit Manager, having made the application for a waiver in this regard, does not object to the A-HTRUST Managers receiving such fees in A-HTRUST Stapled Securities; and
- (G) it has no objections to the Break Fee, in the event that it is agreed to between the Parties, subject to:
 - (1) the Break Fee not exceeding 1% of the Scheme Consideration; and
 - (2) the A-HTRUST Managers and its financial advisers providing certain matters required under Rule 13 of the Code in writing to the SIC.

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6. DELISTING

Upon the A-HTRUST Scheme becoming effective in accordance with its terms:

- (A) all A-HTRUST Stapled Securityholders will receive the Cash Consideration of S\$0.0543 in cash for each A-HTRUST Stapled Security and the Consideration Units of 0.7942 Ascott Reit-BT Stapled Units at an issue price of S\$1.30 for each Consideration Unit;
- (B) the Ascott Reit Trustee will hold 100% of the A-HTRUST REIT Units;
- (C) the Ascott BT Trustee-Manager will hold 100% of the A-HTRUST BT Units; and
- (D) A-HTRUST will, subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

An application will be made to seek approval from the SGX-ST to delist and remove A-HTRUST from the Official List of the SGX-ST upon the A-HTRUST Scheme becoming effective and binding in accordance with its terms.

A-HTRUST Stapled Securityholders should note that by voting in favour of the A-HTRUST Scheme, A-HTRUST will, subject to the approval of SGX-ST, be delisted from the Official List of the SGX-ST if the A-HTRUST Scheme becomes effective and binding in accordance with its terms.

7. RATIONALE

The information relating to the rationale for the Combination has been extracted from Paragraph 2.2 of the Scheme Document and reproduced below.

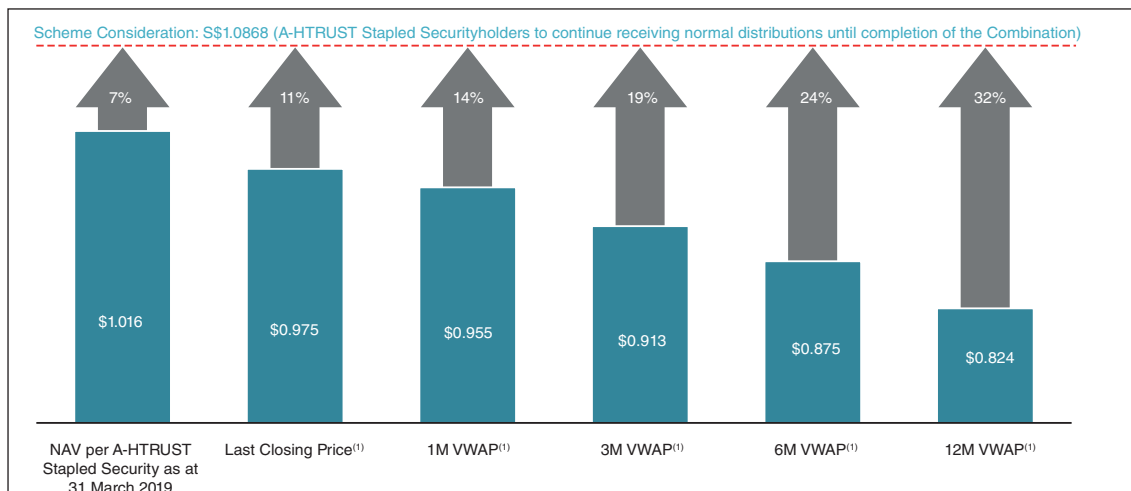
CapitaLand acquired the share capital of Ascendas Pte Ltd and Singbridge Pte. Ltd. on 28 June 2019. As a consequence, the A-HTRUST Managers became wholly-owned subsidiaries of CapitaLand. There is an overlap between the investment mandates of Ascott Reit Group and A-HTRUST Group.

The Combination eliminates the overlap. It also presents the following benefits to the A-HTRUST Stapled Securityholders:

7.1 Value Accretive to A-HTRUST Stapled Securityholders

The Scheme Consideration of S\$1.0868 represents a premium of approximately 7% over the NAV for each A-HTRUST Stapled Security as at 31 March 2019 and a premium of approximately 32% to A-HTRUST's last 12-month VWAP of S\$0.824 as at 2 July 2019. In addition, A-HTRUST Stapled Securityholders may have the opportunity to receive A-HTRUST Permitted Distributions in addition to the Scheme Consideration if and when declared by the A-HTRUST Managers.

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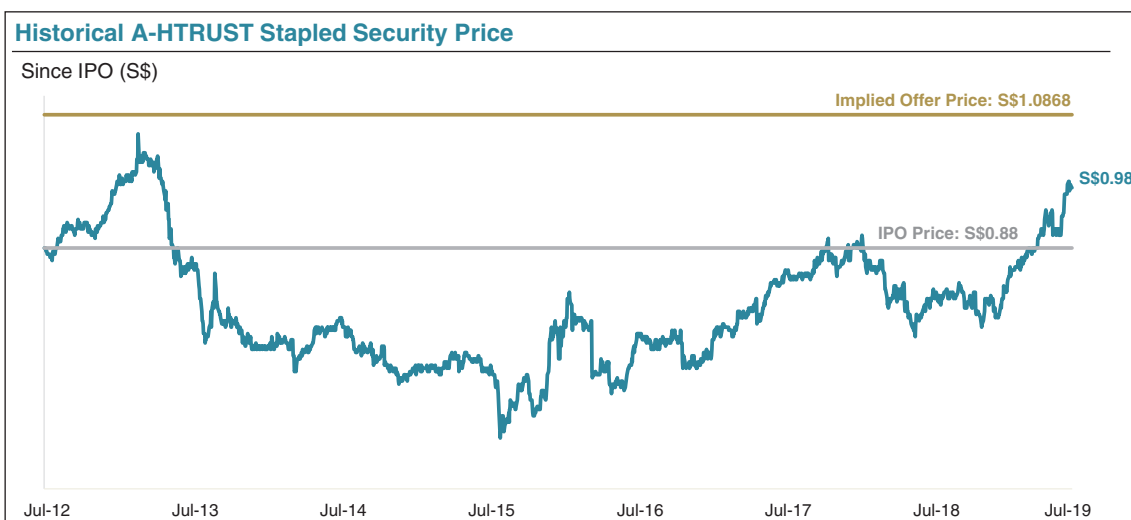


Source: Bloomberg

Note:

(1) The last closing price refers to the closing price of the A-HTRUST Stapled Security as at 2 July 2019. The VWAPs are with reference to the relevant periods up to and including 2 July 2019.

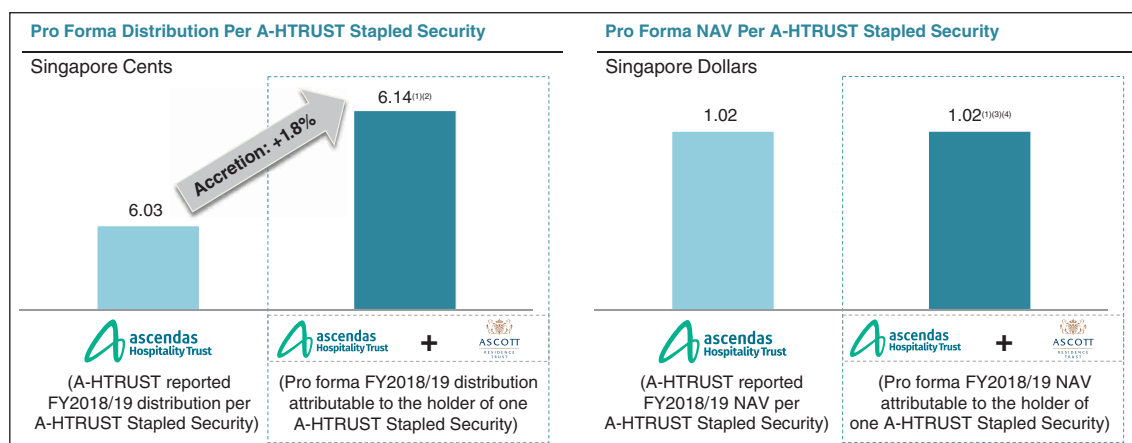
In addition, the Scheme Consideration is higher than all closing prices of the A-HTRUST Stapled Securities since the initial public offering of A-HTRUST.



Source: Capital IQ as at 2 July 2019

Assuming that the Combination had been completed on 1 April 2018, the pro forma distribution attributable to the holder of one (1) A-HTRUST Stapled Security for the FY ended 31 March 2019 would have been 6.14 cents, which is approximately 1.8% higher than the distribution of 6.03 cents that was received during the same period. The Combination is expected to be NAV per A-HTRUST Stapled Security neutral assuming the premium over NAV of A-HTRUST is written off and excluding transaction costs.

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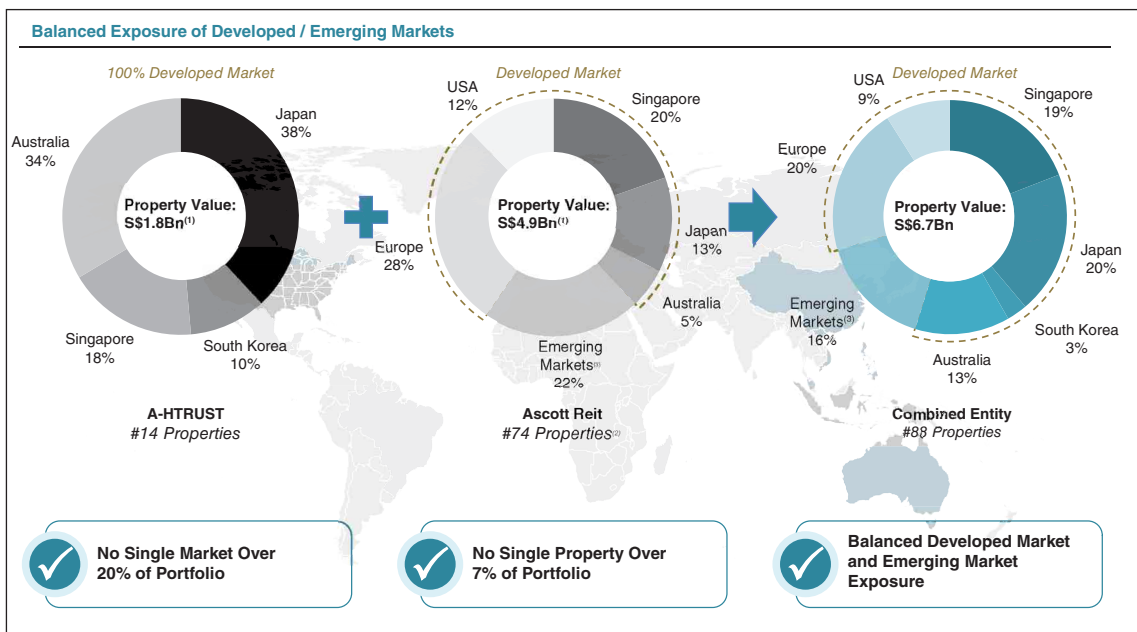
Notes:

- (1) Calculations computed for illustrative purposes only – not a forward looking projection. Key assumptions in preparing the pro forma financial effects include: (a) A-HTRUST Stapled Securityholders to receive in aggregate S\$61.8 million cash and 902.8 million Ascott Reit-BT Stapled Units based on 1,136.7 million A-HTRUST Stapled Securities as at the Joint Announcement Date; (b) the pro forma financial effects are prepared based on the A-HTRUST FY2018/2019 Financial Statements and the Ascott Reit FY2018 Financial Statements; (c) the Combined Entity is to have a payout ratio in line with Ascott Reit's historical payout ratio of 100%. The S\$5.1 million of A-HTRUST's distributable income for the FY ended 31 March 2019, which A-HTRUST withheld for working capital purposes, is assumed to be distributed in full on a pro forma basis; the Combined Entity is to fund such distribution from existing cash balances; (d) the cash component and transaction expenses are funded through debt facilities; (e) the Ascott Reit Manager elects to waive 50% of its acquisition fee with respect to the Combination; and (f) the pro forma distribution per security is calculated by multiplying the Combined Entity's pro forma distribution per security by the exchange ratio of 0.836x which is derived from the audited NAV for each A-HTRUST Stapled Security as at 31 March 2019 of S\$1.02 divided by the audited NAV for each Ascott Reit Unit as at 31 December 2018 of S\$1.22 and assuming the Cash Consideration is reinvested in the Combined Entity at an issue price of S\$1.30 for each Ascott Reit-BT Stapled Unit
- (2) Assumes transaction was completed on 1 April 2018.
- (3) Assumes transaction was completed on 31 March 2019.
- (4) Assumes write-off of premium over NAV and excluding transaction costs. Including transaction costs, pro forma NAV per A-HTRUST Stapled Security would have been S\$1.01 implying a dilution of 0.7%.

7.2 Enlarged and Diversified Portfolio to Enhance Resilience

The Combined Entity will have a combined portfolio comprising 88 properties with a total property value of approximately S\$6.7 billion as at 31 March 2019 for A-HTRUST and 31 December 2018 for Ascott Reit across 15 countries. The Combined Entity's portfolio will be well diversified, with no single market accounting for more than 20% of the total portfolio and no single property accounting for more than 7% of the total portfolio. This will minimise any concentration risk and reliance on any single asset or country.

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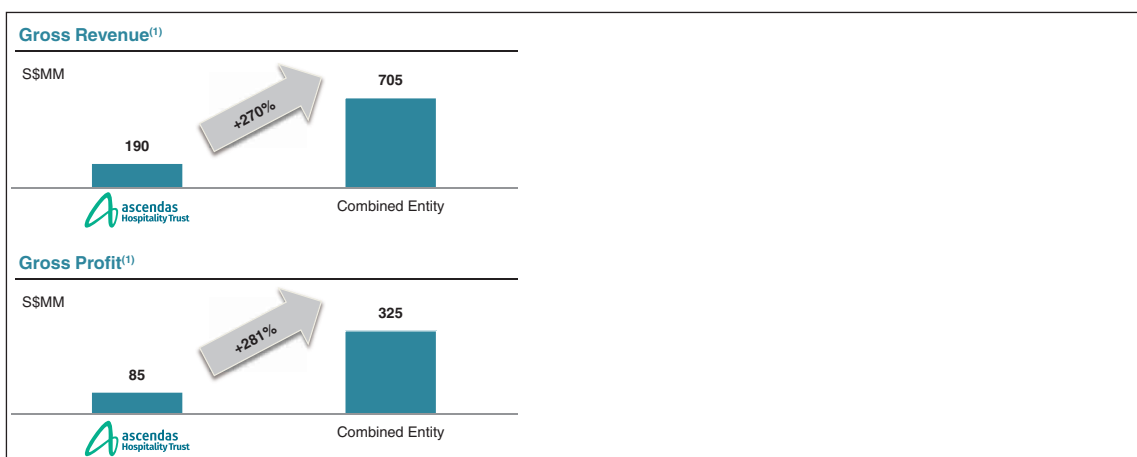
Notes:

(1) As at 31 March 2019 for A-HTRUST and 31 December 2018 for Ascott Reit.

(2) Includes lyf one-north Singapore for Ascott Reit.

(3) Emerging markets include China, Indonesia, Malaysia, the Philippines and Vietnam based on FTSE EPR_A Nareit classification.

A-HTRUST's portfolio mainly comprises hotel properties, while Ascott Reit's portfolio largely comprises serviced residences. The Combined Entity will benefit from diversification of property type and will have better resilience with the enlarged income base. The pro forma gross revenue for the Combined Entity is approximately S\$705 million and gross profit is approximately S\$325 million, an increase of approximately 270% and 281% from A-HTRUST's gross revenue and gross profit for the FY ended 31 March 2019, respectively.



Note:

(1) Based on the A-HTRUST FY2018/2019 Financial Statements and the Ascott Reit FY2018 Financial Statements. Any discrepancies in the figures included herein between the individual amounts and total thereof are due to rounding.

Furthermore, the Combined Entity will also have the ability to leverage on the collection of trusted and well-known global hospitality brands under A-HTRUST and Ascott Reit, across short-stay properties (i.e. hotels) and long-stay properties (i.e. serviced residences and rental housing). The variety of brands will provide more options to the Combined Entity in catering to different customer segments.

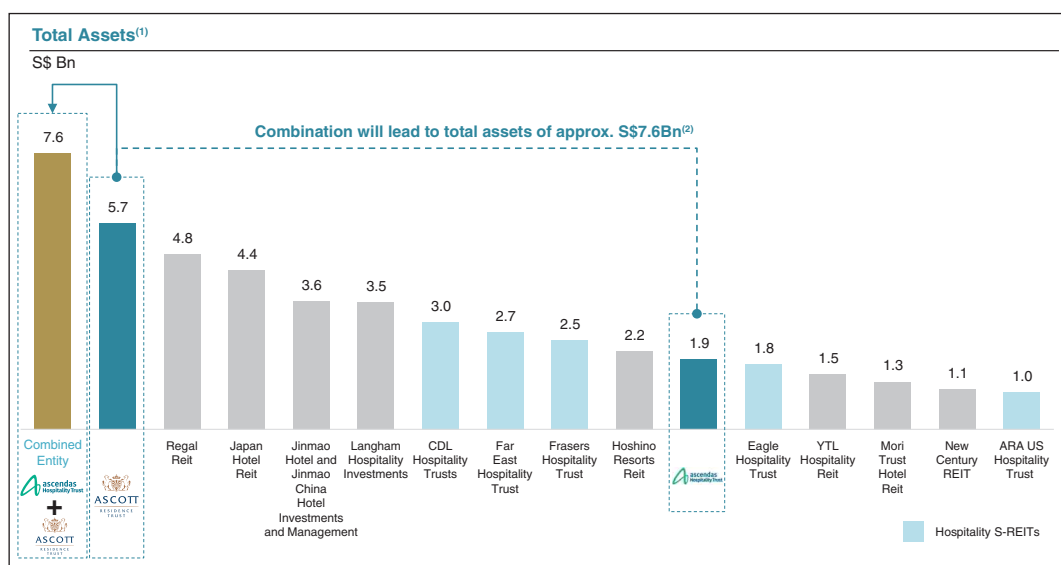
APPENDIX A – LETTER FROM THE A-HTRUST IFA TO THE A-HTRUST INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE IN RESPECT OF THE A-HTRUST SCHEME

Collection of Trusted and Well-Known Global Brands	
A-HTRUST	<ul style="list-style-type: none"> • Courtyard by Marriot • ibis • Novotel • Mercure • Park Hotel • Pullman • Sotetsu Grand Fresa • Sunroute • The Splaisir • WBF
Ascott Reit	<ul style="list-style-type: none"> • Ascott The Residence • Citadines Apart'hotel • Citadines Connect • DoubleTree by Hilton • Element Hotels • lyf • Quest Apartment Hotels • Sheraton • Somerset Serviced Residence • The Crest Collection

7.3 Participation in the Proxy Hospitality Trust in Asia Pacific

The Combination will result in a sizeable and liquid hospitality Singapore-listed Real Estate Investment Trust which is expected to benefit A-HTRUST Staped Securityholders in the following manner:

- (i) the Combined Entity is expected to become the largest hospitality trust in Asia Pacific, with total assets increasing to approximately S\$7.6 billion and market capitalisation increasing to S\$4.0 billion, approximately 3.6 times A-HTRUST's market capitalisation as at 2 July 2019;



Source: Bloomberg

Notes:

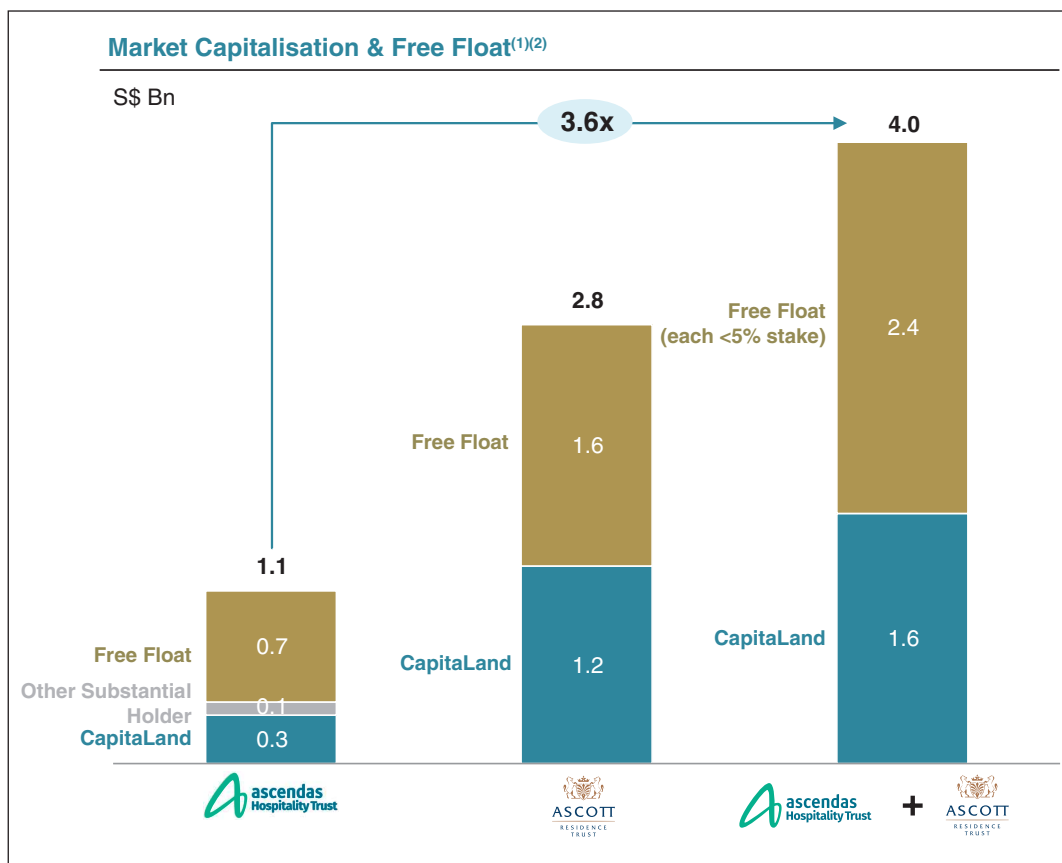
(1) Reflecting only pure-play hospitality trusts with total assets of at least S\$1.0 billion as at 28 June 2019. Assuming an exchange rate of S\$1 = US\$0.739 = HK\$5.771 = RMB5.077 = JPY79.61 = RM3.054 = A\$1.055 as at June 2019.

(2) Based on the combined assets of the A-HTRUST Group and the Ascott Reit Group as at 31 March 2019.

- (ii) the Combined Entity will benefit from a significant increase in market capitalisation and free float, which will potentially result in higher trading liquidity and path to index inclusion. This could lead to a positive re-rating and provide a more competitive cost of capital to the Combined Entity; and

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- (iii) the enlarged scale of the combined portfolio will enhance the visibility of the Combined Entity amongst the investment community. This would allow the Combined Entity to benefit from better access to competitive sources of capital and enjoy greater funding flexibility.



Notes:

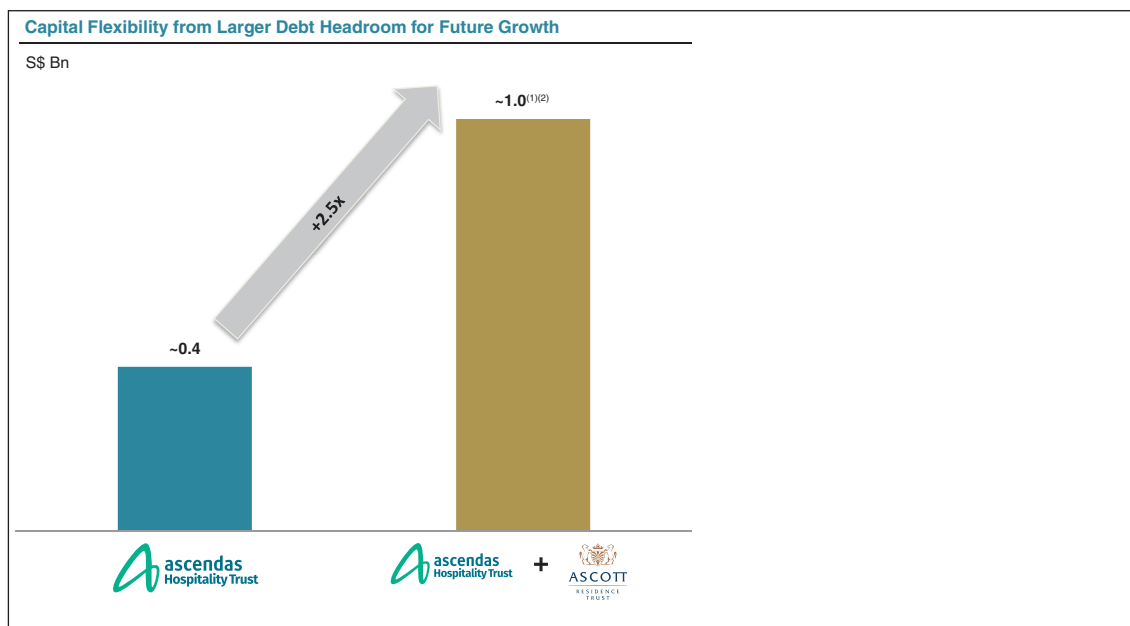
(1) As at 2 July 2019

(2) Combined Entity market capitalisation based on 3,086.3 million Ascott Reit-BT Stapled Units, using an issue price of S\$1.30 for each Ascott Reit-BT Stapled Unit issued as a Consideration Unit, and giving a free float of approximately 1,846.6 million Ascott Reit-BT Stapled Units (each <5% stake).

7.4 Increased Flexibility and Ability to Drive Growth

A-HTRUST Stapled Securityholders will benefit from the Combined Entity's greater ability to pursue future growth both organically and inorganically. With a larger asset base, debt headroom is expected to increase 2.5 times from approximately S\$0.4 billion for A-HTRUST as at 31 March 2019 to a pro forma debt headroom of approximately S\$1.0 billion for the Combined Entity. With a larger capital base, the Combined Entity will be able to evaluate investment opportunities with greater speed and flexibility. In addition, the increased funding capacity will allow the Combined Entity to undertake more asset enhancement initiatives to deliver organic growth.

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Note:

(1) Based on an aggregate leverage limit of 45% under the Property Funds Appendix.

(2) Assumes transaction was completed on 31 March 2019. Computed based on the financial position of A-HTRUST and Ascott Reit as at 31 March 2019 and 31 December 2018 respectively and assumes that additional S\$85.1 million debt was drawn down to fund the cash component of the estimated total transaction costs.

7.5 Benefit from TAL's Owner-Operator Hospitality Platform

With the completion of CapitaLand's acquisition of all the shares in each of Ascendas Pte Ltd and Singbridge Pte. Ltd. on 28 June 2019, CapitaLand effectively owns 28.0% of A-HTRUST through ALI. After the Combination, CapitaLand will effectively control 40.2% of the Combined Entity, with A-HTRUST REIT and A-HTRUST BT held as sub-trusts of the Ascott Reit Group. The Combination will result in the Combined Entity becoming the sole hospitality trust platform of CapitaLand.

As unitholders in the Combined Entity, the A-HTRUST Stapled Securityholders will benefit from CapitaLand being one of Asia's largest diversified real estate groups and from CapitaLand's wholly-owned subsidiary, The Ascott Limited ("TAL"), one of the leading international lodging owner-operators, being the sponsor of the Combined Entity. The A-HTRUST Stapled Securityholders will be able to participate in future upside of the Combined Entity through the following:

- (i) ability to leverage TAL's global presence for portfolio expansion:

TAL is currently present in 175 cities across 32 countries, which is a much wider geographical presence compared to the geographical presence of each of Ascott Reit and A-HTRUST. In addition, Ascott Reit has been granted a right of first refusal by TAL of any sale of TAL's properties that are used, or predominantly used, as serviced residences or rental housing in Europe and the Pan-Asian region; and

- (ii) potential benefit from TAL's operating platforms and brands:

TAL is also a lodging operator of more than 106,000 units across the globe under various brands, including Ascott, Citadines, Somerset, Quest, The Crest Collection and Iyf. TAL's award-winning global brands provide guests with assurance of consistent quality service and experience across the properties. The wide range of brands is expected to expand the Combined Entity's hospitality portfolio and cater to the needs of various market segments.

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The Ascott Limited – One of the Leading International Lodging Owner – Operators	Potential Benefits from Ascott's Operating Platforms and Brands
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;"> <p style="font-size: 0.8em;">Wholly -owned by CapitaLand – one of Asia's largest diversified real estate groups</p> <p style="font-size: 0.8em;">175 Cities across 32 Countries</p> </div> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 10px;"> <div style="text-align: center;"> <p style="font-size: 0.8em;">>106,000⁽¹⁾ Units in >695 Properties</p> </div> <div style="text-align: center;"> <p style="font-size: 0.8em;">Award Winning Properties (46 Awards in 2018)</p> </div> </div>	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> </div> <div style="text-align: center;"> </div> <div style="text-align: center;"> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;"> <div style="text-align: center;"> </div> <div style="text-align: center;"> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;"> <div style="text-align: center;"> </div> <div style="text-align: center;"> </div> </div>
<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="border: 1px solid #ccc; border-radius: 15px; padding: 5px; text-align: center; width: 30%;"> <p style="font-size: 0.7em;">Ability to Leverage Ascott's Global Presence for Portfolio Expansion</p> </div> <div style="border: 1px solid #ccc; border-radius: 15px; padding: 5px; text-align: center; width: 30%;"> <p style="font-size: 0.7em;">Combined Entity to be CapitaLand's Sole Hospitality Trust</p> </div> <div style="border: 1px solid #ccc; border-radius: 15px; padding: 5px; text-align: center; width: 30%;"> <p style="font-size: 0.7em;">Access to Ascott Pipeline Properties via ROFR</p> </div> </div>	

Notes:

(1) As at 30 June 2019 and includes A-HTRUST

7.6 The Intentions of the Ascott Reit Manager for A-HTRUST

As stated in Paragraph 6 of the Offeror's Letter as set out in Appendix B to this Scheme Document, the Ascott Reit Manager's intentions for A-HTRUST are as reproduced in italics below:

"With respect to the Combination:

- (a) **Investment mandate:** *the present investment mandate of the Ascott Reit Group, as noted in **paragraph 2.1**, is to invest in real estate and real estate-related assets which are income-producing and which are used or predominantly used as, amongst other things, hospitality assets in any country in the world. This would encompass the present investment mandate of the A-HTRUST Group, which, as noted in **paragraph 3.1**, is similarly to invest in income-producing real estate used predominantly for hospitality purposes. Accordingly, the Ascott Reit Manager has no intention of expanding the investment mandate of Ascott Reit following the Combination, as it considers that there is no need to do so;*
- (b) **right of first refusal:** *after the Combination, the agreement in relation to the right of first refusal granted by ALI, as sponsor of A-HTRUST, in favour of the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager dated 9 July 2012 (as amended) ("**A-HTRUST ROFR**") pursuant to which ALI had granted a right of first refusal to A-HTRUST in the event ALI wishes to dispose of certain assets which are subject to the A-HTRUST ROFR, will be novated by ALI to TAL, such that TAL becomes the obligor under the A-HTRUST ROFR. As arrangements with respect to rights of first refusals of this nature are customarily given by the sponsor of a REIT or business trust, such novation would ensure that TAL, as sponsor of the Combined Entity, would be the obligor under the A-HTRUST ROFR.*

It should be noted that there are presently no assets which are subject to the A-HTRUST ROFR, nor does ALI have any present intention to acquire any such assets;

- (c) **fee structure:** *after the Combination, as A-HTRUST REIT and A-HTRUST BT will be wholly-owned, unlisted sub-trusts of Ascott Reit and Ascott BT, respectively, the A-HTRUST Trust Deeds will be amended to reflect provisions customary of a wholly-owned, unlisted sub-trust. In this regard, the fee structure of the A-HTRUST Group will be amended, such that fees which would otherwise have been payable to the A-HTRUST Managers (including base management fees, performance management fees, acquisition and divestment fees) will instead be payable to the Ascott Reit-BT Managers. Such fees are not materially different from the fee structure*

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of the A-HTRUST Group as presently adopted and will, after the Combination, be based on the fee structure of the Ascott Reit Group presently adopted;

- (d) **board of directors:** subject to further evaluation by the board of directors of the Ascott Reit Manager (“Ascott Reit Board”), the Ascott Reit Manager has no intention to amend the present constitution of the Ascott Reit Board pursuant to the Combination;
- (e) **trustee and trustee-manager:** each of the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager will remain as trustee of the unlisted A-HTRUST REIT and A-HTRUST BT, as the case may be, immediately upon completion of the Combination; and
- (f) **real estate Investment trust manager:** on or about completion of the Combination, the A-HTRUST REIT Manager will retire as manager of A-HTRUST REIT and the Ascott Reit Manager will be appointed as the manager of the unlisted A-HTRUST REIT, in each case, in accordance with the terms of the A-HTRUST REIT Trust Deed, such that the Ascott Reit Manager has control over the management of all of the assets held by Ascott Reit (whether directly or indirectly).

Save as set out above, there is presently no intention to (i) introduce any major changes to the business of A-HTRUST, (ii) re-deploy the fixed assets of A-HTRUST or (iii) discontinue the employment of the employees of the A-HTRUST Group, in each case, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Combined Entity which may be implemented after the Combination.

The Ascott Reit Board and, after the Combination, the board of directors of the Ascott BT Trustee-Manager, each retains and reserves the right and flexibility at any time and from time to time to consider any options in relation to the Combined Entity which may present themselves and which they may regard to be in the interests of the Combined Entity.”

It is not contemplated that any new interested party transaction (including any new master lease) will be entered into with the Ascott Reit-BT Group, being the Combined Entity and its subsidiaries, in connection with the Combination. Following the Combination, the Ascott Reit Manager and the Ascott BT Trustee-Manager regularly conducts, or will regularly conduct, strategic reviews of, and consider, or will consider, various proposals in relation to, its business and operations with a view to maximising unitholder value. Certain reviews and proposals may be interested person transactions or may involve the entry into master leases. In considering and entering into such reviews and proposals, the Ascott Reit Manager and the Ascott BT Trustee-Manager will comply with its respective disclosure obligations in accordance with the Listing Manual and will make such announcements as may be appropriate from time to time.

7.7 A Comparison of Fee Structures of A-HTRUST and Ascott Reit

A summary comparison table of the fees and charges payable to the (a) A-HTRUST Managers and A-HTRUST REIT Trustee; and (b) post combination, the Ascott Reit Manager, Ascott Reit Trustee and the Ascott BT Trustee-Manager are set out below.

Fees	A-HTRUST	Ascott Residence Trust (Post-Combination)
Base Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> 0.3% per annum of value of the assets of the A-HTRUST REIT Group. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> 0.3% per annum of the value of the asset of the A-HTRUST BT Group. 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> 0.3% per annum of the property values (being the aggregate value of the real estate held by Ascott Reit). <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> 0.3% per annum of the property values (being the aggregate value of the real estate held by Ascott BT).
Performance Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> Since the initial public offering of A-HTRUST, the A-HTRUST REIT Manager has been receiving a performance fee of 4.0% per annum of the net property income for each financial year. 	<p><u>Ascott Reit</u></p> <p>Base performance fee:</p> <ul style="list-style-type: none"> 4.0% per annum of the Ascott Reit Group’s share of gross profit for each financial year.

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IN RESPECT OF THE A-HTRUST SCHEME**

Fees	A-HTRUST	Ascott Residence Trust (Post-Combination)
	<ul style="list-style-type: none"> No outperformance fee. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> Since the initial public offering of A-HTRUST, the A-HTRUST BT Trustee-Manager has been receiving a performance fee of 4.0% per annum of the net property income for each financial year. No outperformance fee. 	<p>Outperformance fee:</p> <ul style="list-style-type: none"> In the event that the Ascott Reit Group's share of gross profit increases by more than 6.0% annually, 1.0% of the difference between the Ascott Reit Group's share of that financial year's gross profit and 106% of the preceding year's gross profit. For the avoidance of doubt, no outperformance fee will be charged unless the condition is satisfied. <p><u>Ascott BT</u></p> <p>Base performance fee:</p> <ul style="list-style-type: none"> 4.0% per annum of the Ascott BT Group's share of gross profit for each financial year. <p>Outperformance fee:</p> <ul style="list-style-type: none"> In the event that the Ascott BT Group's share of gross profit increases by more than 6.0% annually, 1.0% of the difference between the Ascott BT Group's share of that financial year's gross profit and 106% of the preceding year's gross profit. For the avoidance of doubt, no outperformance fee will be charged unless the condition is satisfied.
Acquisition Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> 1.0% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) purchased by the A-HTRUST REIT Manager on behalf of the A-HTRUST REIT, whether directly or indirectly through a special purpose vehicle or 1.0% of the acquisition price (plus any other payments in addition to the acquisition price made by the A-HTRUST REIT or its special purpose vehicle to the vendor in connection with the purchase of the real estate) of any authorised investment acquired by the A-HTRUST REIT Manager on behalf of the A-HTRUST REIT. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> 1.0% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) purchased by the A-HTRUST BT Trustee-Manager on behalf of the A-HTRUST BT, whether directly or indirectly through a special purpose vehicle, or 1.0% of the acquisition price (plus any other payments in addition to the acquisition price made by the A-HTRUST BT or its special purpose vehicle to the vendor in connection with the purchase of the real estate) of any authorised investment acquired by the A-HTRUST BT Trustee-Manager on behalf of the A-HTRUST BT. 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> 1.0% of the Enterprise Value (as defined in the Ascott Reit Trust Deed) of any real estate or real estate-related asset acquired directly or indirectly by Ascott Reit, prorated if applicable to the proportion of Ascott Reit's interest. <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> 1.0% of the Enterprise Value (as defined in the Ascott BT Trust Deed) of any real estate or real estate-related asset acquired directly or indirectly by Ascott BT, prorated if applicable to the proportion of Ascott BT's interest.
Divestment Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> 0.5% of the value of the underlying real estate (after deducting the interest of any co-owners or co-participants) sold or divested by the A-HTRUST REIT Manager on behalf of the A-HTRUST REIT, whether directly or indirectly through a special purpose vehicle, or 0.5% of the sale price (plus any payments in addition to the sale price received by the A-HTRUST REIT or its special purpose vehicle from the purchaser in connection with the sale or divestment of the real estate) of any authorised investment sold or divested by the A-HTRUST REIT Manager on behalf of the A-HTRUST REIT. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> 0.5% of the value of the underlying real estate (after deducting the interest of any co- 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> 0.5% of the Enterprise Value (as defined in the Ascott Reit Trust Deed) of any real estate or real estate-related asset disposed directly or indirectly by Ascott Reit, prorated if applicable to the proportion of Ascott Reit's interest. <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> 0.5% of the Enterprise Value (as defined in the Ascott BT Trust Deed) of any real estate

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Fees	A-HTRUST	Ascott Residence Trust (Post-Combination)
	owners or co-participants) sold or divested by the A-HTRUST BT Trustee-Manager on behalf of the A-HTRUST BT, whether directly or indirectly through a special purpose vehicle, or 0.5% of the sale price (plus any payments in addition to the sale price received by the A-HTRUST BT or its special purpose vehicle from the purchaser in connection with the sale or divestment of the real estate) of any authorised investment sold or divested by the A-HTRUST BT Trustee-Manager on behalf of the A-HTRUST BT.	or real estate-related asset disposed directly or indirectly by Ascott BT, prorated if applicable to the proportion of Ascott BT's interest.
Development Management Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> 3.0% of the total project costs for projects involving the development of land, or buildings or part(s) thereof on land which is acquired, held or leased by A-HTRUST REIT. When the estimated total projects costs is more than S\$200 million, the A-HTRUST REIT Trustee and independent directors of the A-HTRUST REIT Manager will first review and approve, and may also reduce, the quantum of the Development Management Fee. Since the initial public offering of A-HTRUST, A-HTRUST REIT has not paid any Development Management Fee. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> 3.0% of the total project costs for projects involving the development of land, or buildings or part(s) thereof on land which is acquired, held or leased by A-HTRUST BT. When the estimated total projects costs is more than S\$200 million, the independent directors of the A-HTRUST BT Trustee-Manager will first review and approve, and may also reduce, the quantum of the Development Management Fee. Since the initial public offering of A-HTRUST, A-HTRUST BT has not paid any Development Management Fee. 	<p><u>Ascott Reit</u></p> <p>No Development Management Fee.</p> <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> No Development Management Fee.
Trustees' Fee	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> A minimum amount of S\$13,500 per month or up to 0.015% per annum of the value of the property of the A-HTRUST REIT Group. Reimbursement of expenses incurred in the performance of its duties. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> A minimum amount of S\$13,500 per month or up to 0.015% per annum of the value of the property of the A-HTRUST BT Group. Reimbursement of expenses incurred in the performance of its duties. 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> Not exceeding 0.1% per annum of the value of the assets for the time being held or deemed to be held upon trust, subject to a minimum of S\$10,000 per month, excluding out-of-pocket expenses and goods and services tax which is borne by Ascott Reit. Reimbursement of expenses incurred in the performance of its duties. <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> Not exceeding 0.015% per annum of the value of the assets for the time being held or deemed to be held upon trust, subject to a minimum of S\$13,500 per month, excluding out-of-pocket expenses and goods and services tax which is borne by Ascott BT. Reimbursement of expenses incurred in the performance of its duties.
Changes to Fee Structure	<p><u>A-HTRUST REIT</u></p> <ul style="list-style-type: none"> By way of Extraordinary Resolution. <p><u>A-HTRUST BT</u></p> <ul style="list-style-type: none"> By way of Extraordinary Resolution. 	<p><u>Ascott Reit</u></p> <ul style="list-style-type: none"> By way of extraordinary resolution. <p><u>Ascott BT</u></p> <ul style="list-style-type: none"> By way of extraordinary resolution.

The summary should be read in conjunction with, and in the context of, the A-HTRUST Trust Deeds, the Ascott Reit Trust Deed, the Ascott BT Trust Deed and the Ascott Reit-BT Stapling Deed.

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8. OUR ASSESSMENT OF THE FINANCIAL TERMS OF THE SCHEME

In evaluating and assessing the financial terms of the A-HTRUST Scheme Consideration, we have taken into account the pertinent factors set out below which we consider to have a significant bearing on our assessment:

- (1) The strategic rationale for the Scheme;
- (2) Market quotations and liquidity of the A-HTRUST Stapled Securities;
- (3) Comparison of Scheme Consideration with market quotations for the A-HTRUST Stapled Securities;
- (4) The cash component of Scheme Consideration;
- (5) Comparison of Scheme Consideration with the NAV per A-HTRUST Stapled Security;
- (6) Comparison of the P/NAV of the A-HTRUST Stapled Units with selected comparable hospitality S-REITs;
- (7) Market quotations and liquidity of the Ascott Reit Units;
- (8) Comparison of the issue price of Consideration Units with market quotations for the Ascott Reit Units;
- (9) Comparison of the issue price of Consideration Units with the NAV per Ascott Reit Unit;
- (10) Comparison of the P/NAV of the Ascott Reit Units with selected comparable hospitality S-REITs;
- (11) Assurance given by the SSA 805 review by the A-HTRUST Auditor;
- (12) Comparison with precedent amalgamations and takeovers of selected S-REITs;
- (13) Analysis of premia paid in selected precedent takeovers;
- (14) Selected other considerations; and
- (15) Financial effects of the Scheme Consideration.

8.1 The strategic rationale for the Scheme

The disclosures made in relation to the rationale for the Combination is set out in section 2.4 of the Scheme Document and in section 7 of this letter.

The A-HTRUST Stapled Securityholders should note that CapitaLand acquired the entire share capital of Ascendas Pte Ltd and Singbridge Pte. Ltd. on 28 June 2019. As a result, the A-HTRUST Managers became wholly-owned subsidiaries of CapitaLand. There is overlap between the investment mandates of the Ascott Reit Group and the A-HTRUST Group. The Combination resolves the issue of overlapping mandates.

We note the benefits cited for the A-HTRUST Stapled Securityholders. The A-HTRUST Stapled Securityholders are advised to read these disclosures carefully.

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8.2 Market quotations and liquidity of the A-HTRUST Stapled Securities

We have considered the liquidity and free float of A-HTRUST relative to the top twenty-five STI Companies as at the Last Closing Price Date in order to evaluate whether the historical market prices of the A-HTRUST Stapled Securities provide a meaningful benchmark and reference point for a comparison with the Scheme Consideration.

As A-HTRUST requested for a trading halt on 3 July 2019 prior to the close of trading on that day, 2 July 2019 is the last closing price prior to the Joint Announcement Date on 3 July 2019 (the “**Last Closing Price Date**”).

The table below outlines the average daily trading volume for the past twelve months (“**Past 12M ADT Volume**”) and the average daily trading value (“**Past 12M ADT Value**”) leading up to the Last Closing Price Date of the A-HTRUST Stapled Securities and of the top 25 STI Companies:

Table 1: Liquidity analysis of the A-HTRUST Stapled Securities and the top 25 STI Companies⁽¹⁾

Reference period: Twelve-month prior to the Last Closing Price Date		Average daily trading volume of shares as a percentage of Free float ^(2, 3)	Average daily trading value of shares as a percentage of Market capitalisation ^(2, 4)
Top 25 STI Companies	Market capitalisation ⁽²⁾		
Mean		0.2829%	0.1560%
Median		0.2501%	0.1357%
Highest		0.8465%	0.4825%
Lowest		0.0740%	0.0150%
The A-HTRUST Stapled Securities	1,108	0.0708%	0.0572%

Source: Bloomberg

Notes:

(1) The top 25 STI Companies comprises DBS Group Holdings Ltd, Jardine Matheson Holdings Ltd, Jardine Strategic Holdings Ltd, Singapore Telecommunications Ltd, Oversea-Chinese Banking Corp Ltd, United Overseas Bank Ltd, Wilmar International Ltd, Hongkong Land Holdings Ltd, Thai Beverage PCL, CapitaLand Ltd, Jardine Cycle & Carriage Ltd, Dairy Farm International Holdings Ltd, Singapore Technologies Engineering Ltd, Keppel Corp Ltd, Genting Singapore Ltd, Singapore Airlines Ltd, Ascendas Real Estate Investment Trust, CapitaLand Mall Trust, City Developments Ltd, Singapore Exchange Ltd, CapitaLand Commercial Trust, UOL Group Ltd, Yangzijiang Shipbuilding Holdings Ltd, SATS Ltd, and ComfortDelGro Corp Ltd.

(2) All figures are as at the Last Closing Price Date.

(3) Average daily trading volume as a percentage of free float is computed taking the Past 12M ADT Volume prior to the Last Closing Price Date divided by free float number of shares.

(4) Average daily trading value as a percentage of market capitalisation is computed taking the Past 12M ADT Value prior to the Last Closing Price Date divided by market capitalisation of the companies.

We note the following in respect of the liquidity of the A-HTRUST Stapled Securities:

- (A) The Past 12M ADT Volume for the A-HTRUST Stapled Securities is marginally below the lowest recorded measure for the top 25 STI Companies; and
- (B) The Past 12M ADT Value for the A-HTRUST Stapled Securities is within the range of measures for the top 25 STI Companies.

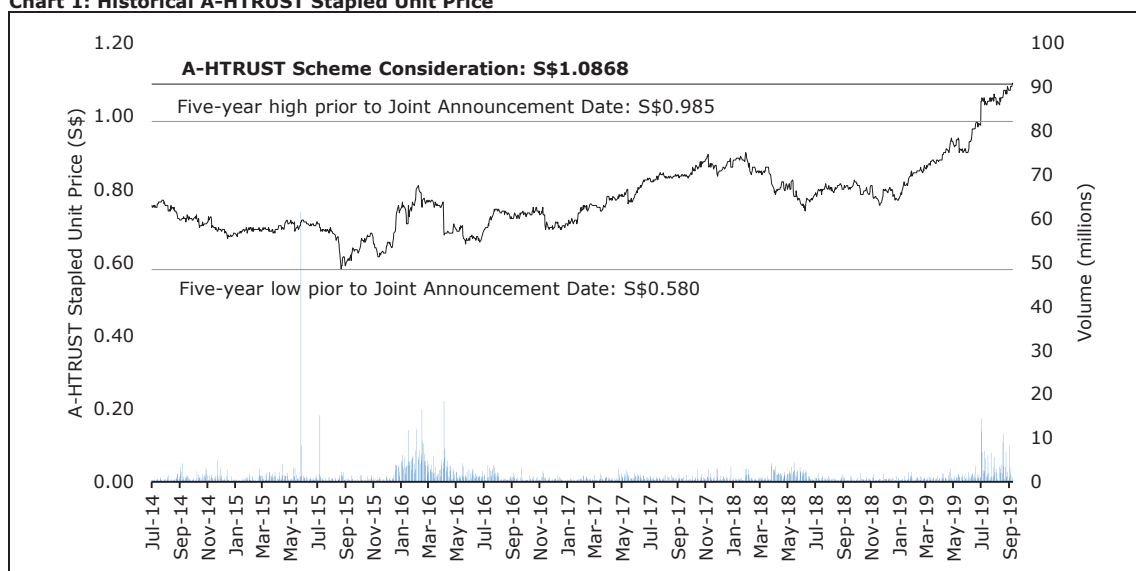
The above analysis indicates that A-HTRUST Stapled Securities have not been unduly illiquid in the twelve months leading up to the Last Closing Price Date. The A-HTRUST Stapled Securities appear to have reasonable liquidity given A-HTRUST’s market capitalisation. We conclude that the market prices for the A-HTRUST Securities provide a meaningful benchmark and reference point for the comparison with Scheme Consideration.

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8.3 Comparison of Scheme Consideration with market quotations for the A-HTRUST Stapled Securities

We have compared the Scheme Consideration against the market prices and trading volumes for the A-HTRUST Stapled Securities for the five-year period prior to the Joint Announcement Date and up to the Latest Practicable Date in the chart below.

Chart 1: Historical A-HTRUST Stapled Unit Price



Source: Bloomberg

A summary of announcements relating to A-HTRUST during the five-year period prior to the Latest Practicable Date are as follows:

No	Date	Details
1	03-Jul-19	Joint Announcement of Proposed Combination.
2	09-May-19	Announcement of distributions for the period from 1 October 2018 to 31 March 2019 and of full year financial statements to 31 March 2019.
3	28-Nov-18	Announcement of a conditional agreement to acquire a 98.8% interest in Ibis Ambassador Seoul Insadong in Korea for S\$94.5 million.
4	31-Oct-18	Announcement of 2Q FY2018/19 financial results, reporting a 6.9% year-on-year decrease in net property income.
5	18-Jun-18	Announcement of a conditional agreement to acquire three hotels in Osaka, Japan for S\$126.1 million.
6	10-May-18	Announcement of distributions for the period from 1 October 2017 to 31 March 2018.
7	01-Feb-18	Announcement of the 3Q FY2017/18 financial results, reporting a marginal year-on-year decrease in net property income.
8	29-Jan-18	Announcement of divestment of Ascendas China Hotel Investment Limited and Ascendas Hospitality China Pte Ltd for S\$235,900,000.
9	30-Nov-17	Announcement of the leasing of Hotel Sunroute Ariake and Oakwood Apartments Ariake Tokyo to Sotetsu Hotel Management Co., Ltd.
10	06-Nov-17	Announcement of distributions for the half year ended 30 September 2017.
11	11-May-17	Announcement of distributions for the half year ended 31 March 2017.
12	11-May-17	Announcement of full year results for the year ended 31 March 2017, reporting an increase in net property income of S\$99,167,000 from S\$90,870,000.
13	26-Jan-17	Announcement of 3Q FY 2016/17 results, reporting an increase in net property income of S\$73,392,000 from S\$67,452,000.
14	12-May-16	Announcement of full year results for the financial year ended 31 March 2016, reporting an increase in net property income of S\$93.3 million from S\$90.9 million.
15	05-Apr-16	Announcement related to cessation of discussions in relation to a possible acquisition of all the A-HTRUST Stapled Securities.

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No	Date	Details
16	23-Dec-15	Announcement of an unsolicited expression of interest related to an acquisition of all the A-HTRUST Stapled Securities.

We note that the Scheme Consideration is higher than the closing prices for the A-HTRUST Stapled Securities at all times in the five-year period prior to the Last Closing Price Date.

We have tabulated below a comparison of the Scheme Consideration with the price performance of the A-HTRUST Stapled Securities for a range of reference periods:

Table 2: Comparison of VWAPs of the A-HTRUST Stapled Securities against Scheme Consideration

Reference period	Highest traded price	Lowest traded price	Adjusted VWAP ⁽¹⁾	Premium of Scheme Consideration to VWAP
Prior to Joint Announcement Date				
Last 1 year	0.99	0.75	0.82	31.8%
Last 6 months	0.99	0.77	0.88	24.0%
Last 3 months	0.99	0.88	0.91	18.9%
Last 1 month	0.99	0.90	0.96	13.8%
Last 1 week	0.99	0.97	0.98	11.3%
Last Closing Price Date	0.98	0.97	0.97	11.9%
After Last Closing Price Date				
From Joint Announcement Date to the LPD	1.09	1.03	1.05	3.9%
LPD	1.09	1.07	1.06	2.3%

Source: Bloomberg

Notes:

(1) VWAPs above are adjusted for cash dividends for the respective periods and are calculated based on the daily turnover divided by volume as extracted from Bloomberg.

We note that the Scheme Consideration represents a premium of 31.8%, 24.0%, 18.9%, 13.8%, 11.3% and 11.9% over the VWAP for the A-HTRUST Stapled Securities for the one-year, six-month, three-month, one-month and one-week periods prior to and including the Last Closing Price Date respectively.

8.4 Cash component of Scheme Consideration

We note that Scheme Consideration of S\$1.0868 will be paid using S\$0.0543 in cash (that is, 5% of Scheme Consideration) and 0.7942 Ascott Reit-BT Stapled Units issued at a price of S\$1.300 each (that is, 95% of Scheme Consideration).

We have compared this aspect of the structure of Scheme Consideration against the equivalent structure of selected precedent amalgamations of S-REITs. We note that these selected precedent transactions may not be directly comparable to the Scheme in terms of, inter alia, business activities, scale of operations, geographical markets, track record, future prospects, asset base, risk profile, customer base and other relevant criteria and that there may have been specific commercial and financial merits to each precedent transaction. As a result, any comparison drawn can serve only as an illustrative guide.

Table 3: Scheme consideration components for Selected Precedent S-REIT amalgamations

Ann. Date	Target	Acquirer	Cash Component	Unit Component	Total Consideration
08-Apr-19 ⁽¹⁾	OUE Hospitality Trust	OUE Commercial REIT	5.0%	95.0%	S\$0.8150
18-May-18 ⁽²⁾	Viva Industrial Trust	ESR-REIT	10.0%	90.0%	S\$0.9600
03-Jul-19	A-HTRUST	Ascott Reit	5.0%	95.0%	S\$1.0868

Source: Relevant SGX-ST filings and the respective companies' announcements, circulars and offer documents, Bloomberg

Notes:

(1) Date of the initial announcement by the managers of both OUE Commercial REIT and OUE Hospitality Trust that it

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- (2) *had submitted a proposal for the merger between OUE Commercial REIT and OUE Hospitality Trust.*
 (2) *Date of the initial announcement by the manager of ESR-REIT that it had submitted a proposal for the merger between ESR-REIT and Viva Industrial Trust.*

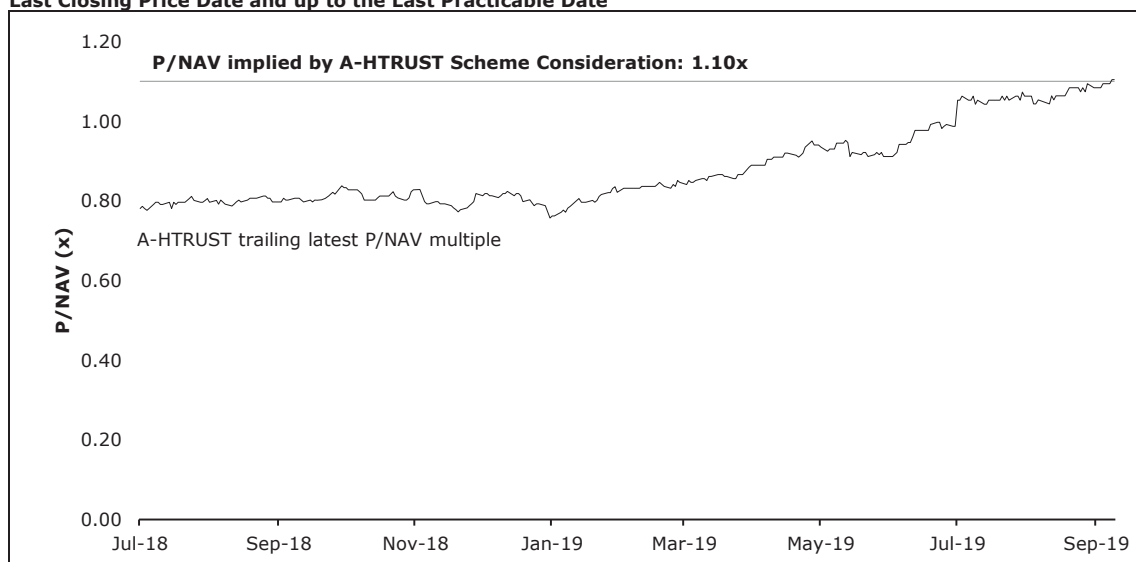
We note that the proportion of Scheme Consideration to be paid in cash is within the range of 5.0% to 10.0% of the cash components paid in the two selected precedent S-REIT amalgamation transactions.

We note also that the inclusion of a cash component to Scheme Consideration gives an additional option to A-HTRUST Stapled Securityholders as to whether to re-invest to maintain their proportionate interests or to treat such component of consideration as a partial realisation of their investment.

8.5 Comparison of Scheme Consideration with NAV per A-HTRUST Stapled Security

We have compared the Scheme Consideration with the NAV per A-HTRUST Stapled Security as at the Last Closing Price Date and the P/NAV multiple (as defined below) of the A-HTRUST Stapled Securities over the 12-month period prior to Last Closing Price Date and up to the Latest Practicable Date.

Chart 2: Trailing Latest P/NAV multiples of the A-HTRUST Stapled Securities over the 12-month period prior to Last Closing Price Date and up to the Last Practicable Date



Source: Bloomberg

Table 4: P/NAV multiples of the A-HTRUST Stapled Securities for selected periods

	Implied P/NAV ^(1,2) as at Last Closing Price Date	P/NAV ^(1,2) as at LPD	Six-months prior to the Last Closing Price Date				Twelve-months prior to the Last Closing Price Date			
			Mean	Median	Max	Min	Mean	Median	Max	Min
P/NAV multiple^(1, 2)	1.10x	1.09x	0.88x	0.89x	1.00x	0.76x	0.84x	0.82x	1.00x	0.76x

Source: Bloomberg

Notes:

- (1) P/NAV multiple – “NAV” or “net asset value” is the book value of a company’s shareholder’s equity (excluding non-controlling interests and perpetual security holders). The “P/NAV” or “price to NAV” ratio illustrates the ratio of the market price of a company’s units relative to its historical book value per unit recorded in the latest financial statements. Comparisons of companies using their book value are affected by the differences in their respective accounting policies, in particular their depreciation and asset valuation policies.
- (2) The Implied P/NAV multiple of the Stapled Securities is based on the A-HTRUST Scheme Consideration of S\$1.0868 for each A-HTRUST Scheme Unit as at the Last Closing Price Date, comprising of the Exchange Ratio of 0.8361x and a fixed Cash Consideration of S\$0.05434 in cash per Stapled Security. NAV per Stapled Security is S\$0.9881 as at 30 June 2019.

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We note that the Scheme Consideration represents a P/NAV multiple of 1.10x as at the Last Closing Price Date based upon the unaudited financial statements of A-HTRUST as at 30 June 2019. Further we note that the Scheme Consideration represents a significant premium significantly higher than the P/NAV multiples achieved (whether mean, median or maxima) for the A-HTRUST Stapled Securities for both the six-month and twelve-month periods prior to the Last Closing Price Date.

8.6 Comparison with P/NAV multiples of selected comparable hospitality S-REITs

We have evaluated selected comparable S-REITs which are engaged in hospitality real estate investments and which are considered to be broadly comparable to A-HTRUST to provide an indication of the current market expectations with respect to the valuation of such trusts as implied by their respective closing market prices as at the Latest Practicable Date.

We highlight that the selected comparable hospitality S-REITs may not be directly comparable to A-HTRUST in terms of, *inter alia*, business activities, scale of operations, geographical markets, track record, future prospects, asset base, risk profile, customer base and other relevant criteria. As a result, any comparisons drawn can serve only as an illustrative guide.

We have compared A-HTRUST with the selected comparable hospitality S-REITs using their P/NAV multiples as at the Last Closing Price Date (the "**Latest P/NAV**") as the key valuation metric, based upon their respective closing prices as at the Latest Practicable Date and their latest publicly available financial results.

Table 5: Description of Selected Comparable Hospitality S-REITs

Name	Description
Ascott Reit	Ascott Reit, listed on the Singapore Exchange Securities Trading Limited in March 2006 and headquartered in Singapore, primarily invests in serviced residences, rental housing properties, and other hospitality assets. Its portfolio consists of 74 properties with more than 11,700 units in 37 cities across 14 countries in Asia Pacific, Europe, and the United States of America.
CDL Hospitality Trusts	CDL Hospitality Trusts, listed on the Singapore Exchange Securities Trading Limited in July 2006 and headquartered in Singapore, primarily invests in hospitality and hospitality-related assets globally. Its portfolio comprises of 19 properties with 5,088 hotel rooms across 8 countries in Asia Pacific and Europe.
OUE Hospitality Trust	OUE Hospitality Trust, listed on the Singapore Exchange Securities Trading Limited in July 2014 and headquartered in Singapore, primarily invests in hospitality and hospitality-related real estate assets. Its portfolio comprises of 3 properties in Singapore.
Frasers Hospitality Trust	Frasers Hospitality Trust, listed on the Singapore Exchange Securities Trading Limited in July 2014 and headquartered in Singapore, primarily invests in hospitality-related assets. Its portfolio comprises of 15 properties located in 9 cities in 6 countries across Asia, Australia, and Europe.
Far East Hospitality Trust	Far East Hospitality Trust, listed on the Singapore Exchange Securities Trading Limited in August 2012 and headquartered in Singapore, primarily invests in hospitality and hospitality-related assets. Its portfolio consists of 13 properties located in Singapore.

Source: Bloomberg, annual reports of the respective S-REITs

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Table 6: Selected Comparable Hospitality S-REITs

Company	Latest Reporting Period	Market Capitalisation as at LPD (S\$ million)	P/NAV ⁽¹⁾ as at LPD
Ascott Reit	30 Jun 2019	2,830	1.03x
CDL Hospitality Trusts	30 Jun 2019	1,999	1.11x
OUE Hospitality Trust	30 Jun 2019	1,341	0.98x ⁽²⁾
Frasers Hospitality Trust	30 Jun 2019	1,354	0.97x
Far East Hospitality Trust	30 Jun 2019	1,316	0.79x
Mean			0.98x
Median			0.98x
Maximum			1.11x
Minimum			0.79x
A-HTRUST	30 Jun 2019		
As at LPD		1,229	1.09x
Implied by Scheme Consideration		1,235	1.10x

Source: Bloomberg

Notes:

(1) The Price to NAV ("**P/NAV**") was calculated based on the ratio of market capitalisation as at the LPD to the latest published NAV of the SREIT (excluding non-controlling interests and amounts attributable to perpetual securities holders).

(2) Based on the latest available share price as at 30 August 2019.

We note that the P/NAV of 1.10x implied by the Scheme Consideration is within the range of multiples for the selected comparable hospitality S-REITs and higher than both the mean and median P/NAV multiples as at the Last Practicable Date.

8.7 Market quotations and liquidity of the Ascott Reit Units

We have considered the liquidity and free float of Ascott Reit relative to the top 25 STI Companies as at the Last Closing Price Date in order to evaluate whether the historical market prices of the Ascott Reit Units provide a meaningful benchmark and reference point for a comparison with the Consideration Unit.

As Ascott Reit requested for a trading halt on 3 July 2019 prior to the close of trading on that day, 2 July 2019 is the last closing price prior to the Joint Announcement Date on 3 July 2019 (the "**Last Closing Price Date**").

The table below outlines the Past 12M ADT Volume and the Past 12M ADT Value to the Last Closing Price Date of the Ascott Reit Units and of the top 25 STI Companies:

Table 7: Liquidity analysis of the Ascott Reit Units and the top 25 STI Companies⁽¹⁾

Reference period: 12-month prior to the Last Closing Price Date		Average daily trading volume of shares as a percentage of Free float ^(2, 3)	Average daily trading value of shares as a percentage of Market capitalisation ^(2, 4)
Top 25 STI Companies	Market capitalisation ⁽²⁾		
Mean		0.2829%	0.1560%
Median		0.2501%	0.1357%
Highest		0.8465%	0.4825%
Lowest		0.0740%	0.0150%
Ascott Reit Units	2,805	0.2064%	0.1000%

Source: Bloomberg

Notes:

(1) The top 25 STI Companies comprises DBS Group Holdings Ltd, Jardine Matheson Holdings Ltd, Jardine Strategic Holdings Ltd, Singapore Telecommunications Ltd, Oversea-Chinese Banking Corp Ltd, United Overseas Bank Ltd, Wilmar

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International Ltd, Hongkong Land Holdings Ltd, Thai Beverage PCL, CapitaLand Ltd, Jardine Cycle & Carriage Ltd, Dairy Farm International Holdings Ltd, Singapore Technologies Engineering Ltd, Keppel Corp Ltd, Genting Singapore Ltd, Singapore Airlines Ltd, Ascendas Real Estate Investment Trust, CapitaLand Mall Trust, City Developments Ltd, Singapore Exchange Ltd, CapitaLand Commercial Trust, UOL Group Ltd, Yangzijiang Shipbuilding Holdings Ltd, SATS Ltd, and ComfortDelGro Corp Ltd.

- (2) All figures are as at the Last Closing Price Date.
- (3) Average daily trading volume as a percentage of free float is computed taking the Past 12M ADT Volume prior to the Last Closing Price Date divided by free float number of shares.
- (4) Average daily trading value as a percentage of market capitalisation is computed taking the Past 12M ADT Value prior to the Last Closing Price Date divided by market capitalisation of the companies.

We note the following in respect of the liquidity of the Ascott Reit Units:

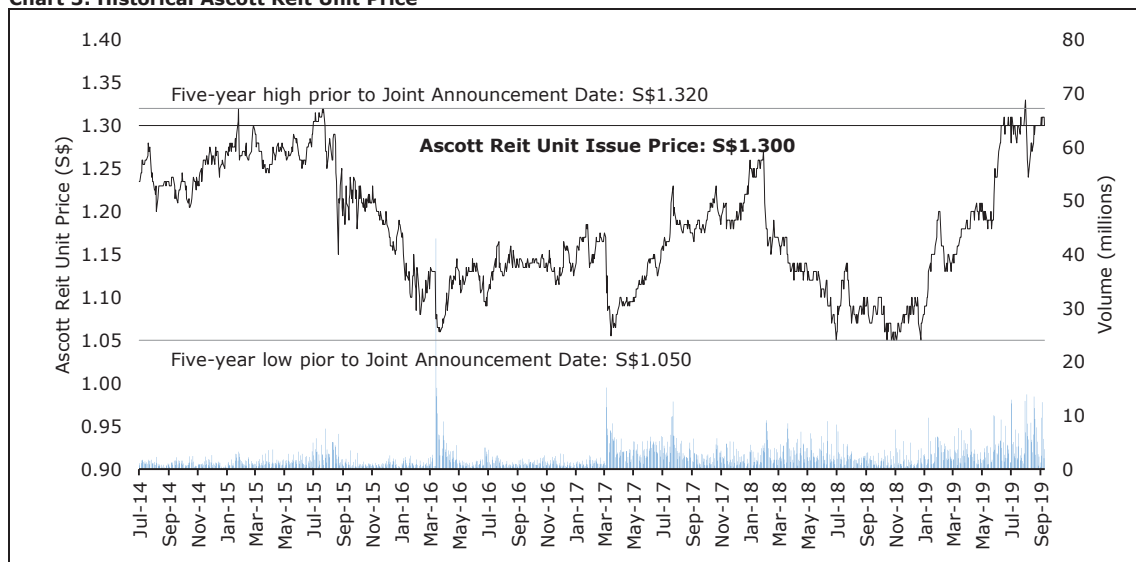
- (A) The Past 12M ADT Volume for the Ascott Reit Units is within the range of measures for the top 25 STI Companies; and
- (B) The Past 12M ADT Value for the Ascott Reit Units is within the range of measures for the top 25 STI Companies.

The above analysis indicates that Ascott Reit Units have not been unduly illiquid in the twelve months leading up to the Last Closing Price Date. We conclude that the market prices for the Ascott Reit Units provide a meaningful benchmark and reference point for the comparison with Scheme Consideration.

8.8 Comparison of the issue price of the Consideration Units with the market quotations for the Ascott Reit Units

We have compared the issue price of the Consideration Units of S\$1.30 against the market price and trading volumes for the Ascott Reit Units for the five-year period prior to the Joint Announcement Date and up to the Latest Practicable Date in the chart below.

Chart 3: Historical Ascott Reit Unit Price



Source: Bloomberg

A summary of announcements relating to Ascott Reit during the five-year period prior to the Joint Announcement Date are as follows:

No	Date	Details
1	03-Jul-19	Joint Announcement of the Proposed Combination.
2	30-Apr-19	Announcement of distributions for Q1 and results for the period ended 31 March 2019.
3	27-Mar-19	Announcement of the acquisition of Felix Hotel in Sydney for S\$58,800,000.

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No	Date	Details
4	29-Jan-19	Announcement of distribution for the half year and of financial results for the year ended 31 December 2018.
5	14-Jan-19	Announcement of the proposed acquisition of shares in Ascendas Pte Ltd and Singbridge Pte Ltd by CapitaLand Limited for a total consideration of S\$6,035,900,000.
6	09-Jan-19	Announcement of the divestment of Ascott Raffles Place Singapore for S\$353.3 million.
7	20-Sep-18	Announcement of the acquisition of a greenfield site in Singapore for S\$62,400,000.
8	24-Jul-18	Announcement of distributions and financial results for the half year to 30 June 2018.
9	18-Apr-18	Announcement of distributions for Q1 and results for the period Q1 ended 31 March 2018.
10	01-Mar-18	Announcement by its Manager of transfer of 115,947 units in Ascott Reit to key management personnel under the Restricted Unit Plan.
11	26-Jan-18	Announcement of full year results for the year ended 31 December 2017 and distribution for the half year then ended.
12	19-Apr-17	Announcement of the Q3 results for the period ended 30 September 2017.
13	13-Apr-17	Announcement of completion of acquisition of Ascott Orchard Singapore for a consideration of S\$405,000,000.
14	08-Mar-17	Announcement of the completion of acquisition of DoubleTree by Hilton Hotel in New York.
15	01-Mar-17	Announcement of approval of the acquisition of interests in properties in Germany for S\$97,200,000 from an Interested Person and entry into new master lease agreements.
16	24-Jan-17	Announcement of divestment of interests of eighteen rental housing properties in Tokyo for S\$153,600,000.
17	14-Mar-16	Announcement of launch of private placement to raise S\$100 million to fund partial consideration of the Canal Street property in United States.
18	20-Aug-15	Announcement of completion of acquisition of the Element New York Times Square in United States.

We note that the issue price of the Consideration Units is generally higher than the closing prices for the Ascott Reit Units for the five-year period prior to the Last Closing Price Date. There have been three short periods (two days in January 2015, fifteen days in July 2015 and four days in June and July 2019) where this was not the case.

We have tabulated below a comparison of the issue price of the Consideration Units with the price performance of the Ascott Reit Units for a range of reference periods:

Table 8: Comparison of VWAPs of the Ascott REIT Unit against Consideration Units

Reference period	Highest traded price	Lowest traded price	Adjusted VWAP ⁽¹⁾	Premium of Scheme Consideration to VWAP
Prior to Joint Announcement Date				
Last 1 year	1.31	1.05	1.10	17.8%
Last 6 months	1.31	1.07	1.16	12.4%
Last 3 months	1.31	1.16	1.20	8.2%
Last 1 month	1.31	1.23	1.25	3.7%
Last 1 week	1.31	1.29	1.27	2.5%
Last Closing Price Date	1.31	1.30	1.27	2.2%
After Last Closing Price Date				
From Joint Announcement Date to the LPD	1.34	1.24	1.28	1.8%
LPD	1.31	1.30	1.30	(0.4)%

Source: Bloomberg

Notes:

(1) VWAPs are adjusted for cash dividends for the respective periods and are calculated based on the daily turnover divided by volume as extracted from Bloomberg.

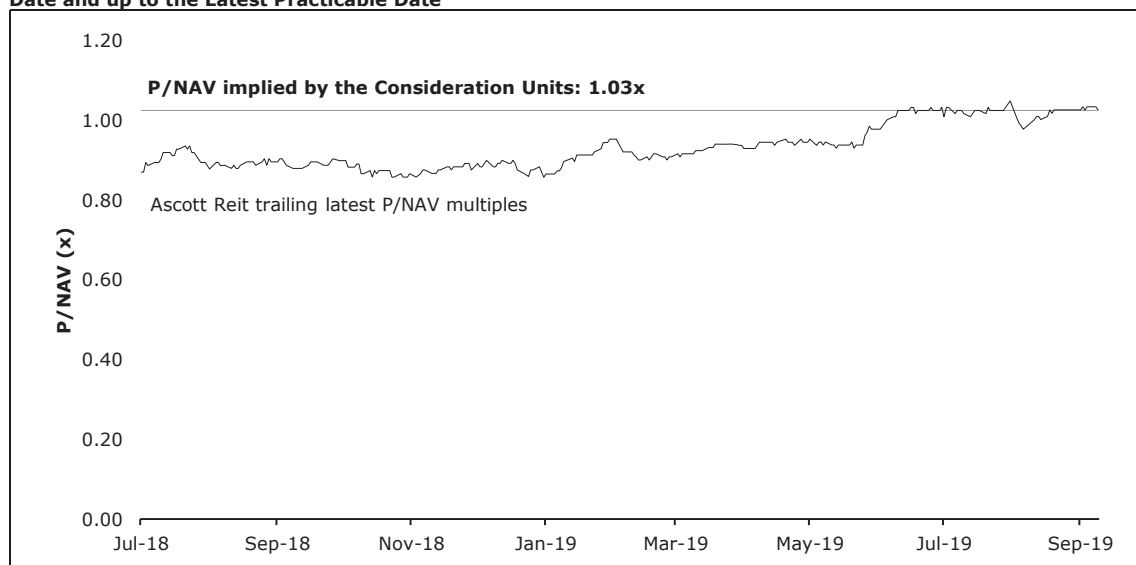
We note that the issue price of Consideration Units represents premium of 17.8%, 12.4%, 8.2%, 3.7%, 2.5% and 2.2% over the VWAP for the Ascott Reit Units for the one-year, six-month, three-month, one-month and one-week periods prior to and including the Last Closing Price Date respectively. We note further that these premia and/or discounts are at all points substantially lower than the premia computed for the equivalent periods for the Scheme Consideration over the VWAP for the A-HTRUST Stapled Securities.

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8.9 Comparison of the issue price of Consideration Units with NAV per Ascott Reit Unit

We have compared the issue price of the Consideration Units with the NAV per Ascott REIT Unit as at the Last Closing Price Date and the P/NAV multiple of the Ascott Reit Units over the twelve-month period up to that date.

Chart 4: Latest P/NAV multiples of the Ascott Reit Units over the twelve-month period prior to Last Closing Price Date and up to the Latest Practicable Date



Source: Bloomberg

Table 9: P/NAV multiples of the Ascott Reit Units for selected periods

	Implied P/NAV ^(1,2) as at Last Closing Price Date	P/NAV ^(1,2) as at LPD	Six-months prior to the Last Closing Price Date				Twelve-months prior to the Last Closing Price Date			
			Mean	Median	Max	Min	Mean	Median	Max	Min
P/NAV multiple⁽¹⁾⁽²⁾	1.03x	1.03x	0.94	0.94	1.03	0.87	0.92	0.90	1.03	0.86

Source: Bloomberg

Notes:

- (1) P/NAV multiple – “NAV” or “net asset value” is the book value of a company’s shareholder’s equity (excluding non-controlling interests and perpetual security holders). The “P/NAV” or “price to NAV” ratio illustrates the ratio of the market price of a company’s units relative to its historical book value per unit recorded in the latest financial statements. Comparisons of companies using their book value are affected by the differences in their respective accounting policies, in particular their depreciation and asset valuation policies.
- (2) The Implied P/NAV multiple of the Ascott Reit Units is based on the allotment and issue by the Ascott Reit Manager of the consideration Units of 0.7942 Ascott Reit-BT Stapled Units at an issue price of S\$1.300 for each Consideration Units. NAV per Ascott Reit Units is S\$1.27 as at 30 June 2019.

We note that the issue price of the Consideration Units represents a P/NAV multiple of 1.03x as at the Last Closing Price Date. The issue price of the Consideration Units represents a premium over the mean P/NAV multiple and is in line with the median P/NAV multiple for the Ascott Reit Units for the six-month and twelve-month periods prior to the Last Closing Price Date. Further we note that the implied P/NAV of Scheme Consideration for the A-HTRUST Stapled Securities is higher than that for the Ascott Reit Units on all the measures presented in the table above.

8.10 Comparison with P/NAV multiples of selected comparable hospitality S-REITS

In a similar manner as for A-HTRUST in section 8.6 above, we have compared Ascott Reit with selected comparable hospitality S-REITS using their P/NAV multiples as at the Last Closing Price Date (the “Latest P/NAV”) as the key valuation metric based upon their respective closing prices as at the Latest Practicable Date and their latest publicly available financial results.

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Table 10: Selected Comparable hospitality S-REITs

Company	Latest Reporting Period	Market Capitalisation as at LPD	
		(S\$ million)	P/NAV ⁽¹⁾ as at LPD
CDL Hospitality Trusts	30 Jun 2019	1,999	1.11x
OUE Hospitality Trust	30 Jun 2019	1,341	0.98x ⁽²⁾
Frasers Hospitality Trust	30 Jun 2019	1,354	0.97x
Far East Hospitality Trust	30 Jun 2019	1,316	0.79x
A-HTRUST	30 Jun 2019	1,229	1.09x
Mean			0.99x
Median			0.98x
Maximum			1.11x
Minimum			0.79x
Ascott Reit Units	30 Jun 2019		
As at LPD		2,830	1.03x
Implied by issue price for Consideration Units		2,827	1.03x

Source: Bloomberg

Notes:

(1) The Price to NAV ("**P/NAV**") was calculated based on the ratio of market capitalisation as at the Latest Closing Price Date to the latest published NAV, which is the book value of a company's shareholder's equity (excluding non-controlling interests and perpetual securities holders).

(2) Based on the latest available share price as at 30 August 2019.

We note that the P/NAV of 1.03x implied by the issue price for Consideration Units is within the range of P/NAV multiples for the selected comparable hospitality S-REITs and is marginally higher than the mean and median P/NAV multiples as at the Latest Practicable Date.

8.11 Assurance given by the SSA 805 opinion

The A-HTRUST Managers and the A-HTRUST REIT Trustee have appointed the A-HTRUST Auditor to perform an audit of the carrying value of the serviced apartment properties held by Ascott Reit and its subsidiaries as at 31 December 2018. A reciprocal arrangement was undertaken by Ascott Reit on the carrying value of the real properties held by A-HTRUST as at 31 March 2019.

We note that the A-HTRUST Auditors have also considered the carrying value of the serviced apartment properties held by Ascott Reit and its subsidiaries as of 30 June 2019.

The intention in carrying out such audit is to give additional comfort to A-HTRUST Stapled Securityholders that such carrying values were stated in all material respects in accordance with the accounting policies of Ascott Reit and that accordingly the serviced apartment properties were stated at fair values.

The audit was undertaken in accordance with the Singapore Standard on Auditing 805 (Revised) on Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement, on the line item titled "serviced residence properties" set out in the balance sheet of the Ascott Reit Group, as reflected in the Ascott Reit FY2018 Financial Statements.

In the course of our evaluation, we have held discussions with the A-HTRUST Auditor and have considered their opinion in reaching our recommendation. We have relied upon that opinion and have not independently verified such information, whether written or verbal and accordingly cannot and do not warrant and do not accept any responsibility for the accuracy, completeness and adequacy of such information in reaching that opinion.

We note that the A-HTRUST Auditors have rendered an unqualified opinion. A copy of their opinion is included in the Scheme Document as Appendix G. We recommend that A-HTRUST Stapled Securityholders review and consider that opinion in its entirety.

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8.12 Comparison with precedent amalgamations and takeovers of selected S-REITs

We have compiled details of the precedent amalgamations and takeovers of selected S-REITs in the five year period preceding the Last Closing Price Date in the table below.

We note that the S-REITs set out in this table may not be directly comparable to either A-HTRUST or Ascott Reit in terms of, *inter alia*, their business activities, scale of operations, geographical markets, track record, future prospects, asset base, risk profile, customer base and other relevant criteria.

We note further that there may be commercial and financial merits specific to each of the transactions noted. The premium that an offeror will pay in respect of any particular takeover depends on various factors including, *inter alia*, the offeror's intention for the target, the potential synergy that the offeror can derive from the target, the presence of competing bids, prevailing market conditions and sentiment, the attractiveness and profitability of the target's business and assets and existing and desired level of control in the target. As a result, any comparisons to be drawn can serve only as an illustrative guide.

Table 11: Selected precedent amalgamations and takeovers of S-REITs

Announcement Date	Target	Acquirer	Premium to P/NAV offered to the respective targets	Premium to P/NAV for 3M VWAP prior to respective targets
Selected precedent amalgamations of real estate focused S-REITs ⁽¹⁾:				
08-Apr-19 ⁽²⁾	OUE Hospitality Trust ⁽³⁾	OUE Commercial REIT	1.7%	4.4%
18-May-18 ⁽⁴⁾	Viva Industrial Trust ⁽⁵⁾	ESR-REIT	2.1%	0.7%
Mean			1.9%	2.6%
Median			1.9%	2.6%
Maximum			2.1%	4.4%
Minimum			1.7%	0.7%
Selected precedent takeover transactions:				
26-Apr-17 ⁽⁶⁾	Croesus Retail REIT ⁽⁷⁾	Blackstone Group	24.5%	32.1%
23-Oct-15	Saizen REIT ⁽⁸⁾	Lone Star	35.9%	39.3%
04-Nov-14 ⁽⁹⁾	Forterra Trust	Nan Fung Group	32.4%	49.7%
Mean			30.9%	40.4%
Median			32.4%	39.3%
Maximum			35.9%	49.7%
Minimum			24.5%	32.1%
03-Jul-19	A-HTRUST⁽¹⁰⁾	Ascott Residence Trust	11.5%	19.0%

Source: Relevant SGX-ST filings and the respective companies' announcements, circulars and offer documents, Bloomberg Notes:

- (1) For the purpose of this analysis, we have excluded the amalgamation of Keppel Infrastructure Trust and CitySpring Infrastructure Trust as those S-REITs have a different investment focus as compared the Scheme and to those presented above.
- (2) Date of the initial announcement by the managers of both OUE Commercial REIT and OUE Hospitality Trust that it had submitted a proposal for the merger between OUE Commercial REIT and OUE Hospitality Trust.
- (3) Premium to P/NAV multiple for OUE Hospitality Trust is based on the last undisturbed consideration unit price of S\$0.520 for each OUE Commercial REIT Unit as at the last undisturbed trading date of 5 April 2019, the exchange ratio of 1.3583x and a fixed cash consideration of S\$0.04075 in cash per stapled security, which implies an offer price of S\$0.747 per stapled security, as well as the NAV per stapled security of S\$0.747 as at 31 March 2019.
- (4) Date of the initial announcement by the manager of ESR-REIT that it had submitted a proposal for the merger between ESR-REIT and Viva Industrial Trust.
- (5) Premium to P/NAV is based on the closing price of S\$0.940 on the last full and undisturbed trading day on 25 January 2018 and NAV per stapled security of Viva Industrial Trust ("**VIT Stapled Security**") of S\$0.760 as at 31 March 2018. Premium to P/NAV for 3-month VWAP is based on VWAP of the 3-month period up to the last full and undisturbed trading day on 25 January 2018 of the VIT Stapled Securities of S\$0.953 and NAV per VIT Stapled Security of S\$0.760

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as at 31 March 2018.

- (6) Date of initial holding announcement in connection with a potential acquisition of all the units of Croesus Retail Trust.
- (7) Based on the consideration offer price of S\$1.17 in cash per unit of Croesus Retail Trust.
- (8) The estimated implied net offer price per unit of S\$1.162 is based on the NAV per unit attributable to unitholders as at 30 June 2015 (including cash and cash equivalents) and adjusted for property transactions of Saizen REIT in August 2015, distributions paid by Saizen REIT on 28 September 2015, capital expenditures after 30 June 2015, provisions for claims on remediation works, non-cash and fair value adjustments, and costs and expenses related to the transaction.
- (9) On 4 November 2014, the offeror announced its intentions to make a mandatory conditional cash offer to acquire all the units of Forterra Trust, at a price of S\$1.85 per unit. On 24 November 2014, the offeror announced the revision of the offer price to S\$2.25 in cash per unit.
- (10) Premium to P/NAV multiple implied by the A-HTRUST Scheme Consideration of the Stapled Securities is based on the A-HTRUST Scheme Consideration of S\$1.0868 for each A-HTRUST Scheme Unit as at the Last Closing Price Date, comprising of the Exchange Ratio of 0.8361x and a fixed Cash Consideration of S\$0.05434 in cash per Stapled Security. NAV per Stapled Security is S\$0.9881 as at 30 June 2019.

We note that the premia of 11.5% and 19.0% implied by the A-HTRUST Scheme Consideration over the prevailing P/NAV of the A-HTRUST Stapled Securities as at the Last Closing Price Date is substantially higher than the equivalent premia offered to the target S-REITs in each of the two precedent amalgamation transactions (being the transactions in respect of OUE Commercial/OUE Hospitality and of ESR/Viva).

We note that the premia of 11.5% and 19.0% implied by the A-HTRUST Scheme Consideration over the prevailing P/NAV of the A-HTRUST Stapled Securities as at the Last Closing Price Date is substantially lower than the equivalent premia offered to the target S-REITs in each of the three precedent takeover transactions. This may in part be explained by the fact that the A-HTRUST Scheme is a Combination whereby A-HTRUST Stapled Securityholders obtain a new security which will in time be listed on the SGX-ST.

8.13 Analysis of the premia paid in selected precedent takeovers

We have compared the financial terms of the A-HTRUST Scheme Consideration with those of selected successful transactions announced since January 2016 up to the Last Closing Price Date carried out either by way of voluntary delisting exit offers under Rule 1307 of the Listing Manual, by way of a scheme of arrangement under Section 210 of the Companies Act or general takeover offers under the Takeover Code where the offeror has stated its intention to delist the listed company from the SGX-ST (the "**Precedent Privatisation Transactions**").

This analysis serves as a general indication of the relevant premium or discount that offerors paid to acquire the targets without regard to the specific industry characteristics or other considerations. The comparison sets out the premium or discount by each respective offer price to the VWAPs over the last transacted price, the one-month, three-month, six-month and twelve-month periods prior to the announcement of the Precedent Privatisation Transactions.

Table 12: Precedent Privatisation Transactions Table

Company Name	Announcement Date	Price Offered (\$)	Premiums/ (Discount) of Price Offered over the ⁽¹⁾ :				
			Last Price	1-month VWAP	3-month VWAP	6-month VWAP	12-month VWAP
Lantrovision (S) Ltd	27-Jan-16	3.25	47.7%	42.8%	46.2%	56.6%	42.1%
China Yongsheng	24-Feb-16	0.03	52.4%	67.5%	62.4%	56.9%	34.5%
Xinren Aluminium Holdings Limited	25-Feb-16	0.60	66.7%	63.9%	63.5%	57.9%	35.7%
Interplex Holdings Ltd	29-Feb-16	0.82	15.5%	11.1%	13.1%	16.5%	11.4%
OSIM International Ltd	7-Mar-16	1.41	27.0%	40.9%	42.5%	16.7%	-2.2%
Select Group Ltd	23-Mar-16	0.53	23.5%	37.9%	43.4%	31.6%	27.0%
XYEC Holdings Co Ltd	29-Mar-16	0.30	50.0%	43.5%	47.1%	51.5%	43.5%
Pteris Global Ltd	21-Apr-16	0.85	14.5%	19.3%	24.6%	29.4%	25.6%
China Merchants Holdings (Pacific) Limited	9-May-16	1.02	22.9%	21.8%	25.3%	20.2%	8.0%
Eu Yan Sang International Ltd	16-May-16	0.60	2.6%	8.5%	16.5%	24.7%	22.5%
Otto Marine	8-Jun-16	0.32	39.1%	44.8%	43.5%	42.9%	(13.5)%
SMRT	20-Jul-16	1.68	8.7%	10.8%	10.7%	8.7%	15.5%
Sim Lian Group Limited	8-Aug-16	1.08	14.9%	16.8%	19.5%	26.5%	28.0%
China Minzhong	6-Sep-16	1.20	25.0%	24.8%	23.1%	25.9%	35.4%
Innovalues Limited	26-Oct-16	1.01	14.5%	19.0%	21.6%	27.8%	30.5%
Super Group	3-Nov-16	1.30	62.5%	60.5%	62.5%	55.7%	51.0%
ARA Asset Management	8-Nov-16	1.78	26.2%	29.6%	30.3%	31.7%	43.9%
Advanced Integrated Manufacturing Corp	24-Nov-16	0.21	22.8%	20.7%	20.7%	17.3%	6.1%
Auric Pacific Group	7-Feb-17	1.65	13.4%	17.8%	23.8%	35.8%	59.6%

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Company Name	Announcement Date	Price Offered (\$S)	Premiums/ (Discount) of Price Offered over the ⁽¹⁾ :				
			Last Price	1-month VWAP	3-month VWAP	6-month VWAP	12-month VWAP
Heathway Medical Corporation Limited	7-Feb-17	0.04	5.0%	13.8%	19.7%	19.3%	22.1%
International Heathway Corporation	16-Feb-17	0.11	1.9%	14.2%	20.6%	32.5%	37.7%
Global Premium Hotels Limited	23-Feb-17	0.37	14.1%	18.1%	21.7%	23.3%	22.5%
CWT Limited	9-Apr-17	2.33	13.1%	16.6%	14.6%	15.3%	13.5%
Nobel Design Holdings Ltd	2-May-17	0.51	8.5%	9.4%	15.9%	18.6%	22.6%
Changtian Plastic & Chemical Limited	29-May-17	1.30	45.3%	46.6%	48.2%	49.6%	62.9%
China Flexible Packaging Holdings Limited	19-Jun-17	1.25	23.2%	24.3%	28.2%	43.5%	59.4%
Croesus Retail Trust	28-Jun-17	4.38	24.5%	26.2%	32.1%	34.5%	37.7%
Global Logistics Properties	14-Jul-17	3.38	64.1%	67.4%	72.4%	76.5%	80.6%
Fischer Tech Ltd	27-Jul-17	3.02	31.3%	46.9%	63.6%	76.5%	95.6%
Poh Tiong Choon Logistics Limited	20-Sep-17	1.30	1.6%	32.5%	43.2%	48.7%	58.1%
GP Batteries International Limited	22-Sep-17	1.30	62.5%	62.9%	62.7%	61.1%	61.5%
Rotary Engineering Limited	2-Oct-17	0.46	20.1%	21.9%	25.1%	19.3%	19.7%
New Wave Holdings Ltd	19-Oct-17	0.01	44.4%	38.0%	9.0%	18.7%	29.1%
Cogent Holdings Limited	3-Nov-17	1.02	5.2%	6.2%	12.7%	20.3%	30.6%
Vard Holdings Limited	13-Nov-17	0.25	8.7%	16.2%	29.3%	35.1%	30.7%
CWG International Ltd	28-Dec-17	0.20	27.5%	29.5%	29.2%	30.9%	10.3%
LTC Corporation limited	9-Feb-18	0.93	44.5%	46.1%	45.4%	44.2%	49.3%
Lee Metal Group Ltd	21-Feb-18	0.42	9.1%	14.1%	21.4%	26.5%	32.9%
Weiyee Holdings Limited	13-Mar-18	0.65	31.3%	40.7%	44.1%	44.4%	27.7%
Tat Hong Holdings Limited	26-Apr-18	0.55	42.9%	47.5%	49.1%	40.3%	44.0%
Viva Industrial Trust	18-May-18	0.96	7.9%	2.0%	0.8%	1.5%	8.2%
Wheelock (Singapore) Properties Limited	19-Jul-18	2.10	22.7%	29.0%	22.7%	17.8%	13.3%
M1 Limited	27-Sep-18	2.06	26.3%	29.9%	29.1%	21.8%	18.0%
Cityneon Holdings Limited	29-Oct-18	1.30	3.2%	6.8%	11.9%	15.7%	19.2%
PCI Limited	4-Jan-19	1.33	28.9%	44.0%	47.2%	50.9%	60.1%
Declout Limited	7-Jan-19	0.13	60.5%	66.7%	66.7%	58.5%	51.2%
Courts Asia Limited	18-Jan-19	0.21	34.9%	35.8%	34.0%	23.5%	(16.7)%
Kingboard Copper Foil Holdings Limited	04-Apr-19	0.60	11.3%	16.1%	25.3%	27.4%	32.5%
800 Super Holdings Limited	6-May-19	0.90	19.2%	30.8%	31.2%	25.3%	17.6%
Memtech International Ltd	14-May-19	1.35	23.9%	31.5%	31.6%	35.6%	30.2%
OUE Hospitality Trust ⁽²⁾	08-Apr-19	0.75	1.6%	3.0%	4.5%	6.7%	0.4%
Boardroom Limited ⁽²⁾	15-May-19	0.88	14.3%	18.9%	16.1%	17.6%	16.9%
Delong Holdings Limited ⁽²⁾	29-Jul-19	7.00	1.9%	8.0%	17.9%	37.2%	76.9%
Maximum			66.7%	67.5%	72.4%	76.5%	95.6%
Minimum			1.6%	2.0%	0.8%	1.5%	(16.7)%
Mean			25.2%	29.9%	31.8%	33.1%	31.7%
Median			22.9%	27.6%	28.2%	29.4%	30.2%
A-HTRUST Scheme Consideration			11.9%	13.8%	18.9%	24.0%	31.8%
Ascott Reit Consideration			2.2%	3.7%	8.2%	12.4%	17.8%

Source: SGX Circulars, Companies' announcements and Bloomberg

Notes:

(1) Market premia/ discounts calculated relative to the closing price of the respective companies 1 day prior to the respective announcement date and VWAPs over the last transacted price, 1-month, 3-month, 6-month and 12-month period prior to the respective announcement date/ last trading date/ Last Full Market Day.

(2) Resolution has been passed by shareholders, companies are currently in progress of being delisted from SGX.

We note that the premium implied by the A-HTRUST Scheme Consideration is lower than the mean and median premia for the Precedent Privatisation Transactions for all periods selected to compute VWAP. This may in part be explained by the fact that the A-HTRUST Scheme is a Combination whereby A-HTRUST Stapled Securityholders obtain a new security which will in time be listed on the SGX-ST.

8.14 Other Considerations

We note that by voting in favour of the A-HTRUST Scheme, the A-HTRUST Stapled Securityholders will be deemed to have waived their rights to a general offer by the Ascott Reit Manager Concert Party Group to acquire the A-HTRUST Stapled Securities under the Code (in respect of the A-HTRUST Scheme only) and are agreeing to the Ascott Reit Manager Concert Party Group acquiring or consolidating effective control of A-HTRUST by way of the A-HTRUST Scheme without having to make a general offer.

APPENDIX A – LETTER FROM THE A-HTRUST IFA TO THE A-HTRUST INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE IN RESPECT OF THE A-HTRUST SCHEME

We note that it is the intention of the Ascott Reit Trustee, subject to the approval of the SGX-ST, to delist A-HTRUST and to remove it from the Official List of the SGX-ST. An application will be made to seek approval from the SGX-ST to delist and remove A-HTRUST from the Official List of the SGX-ST upon the A-HTRUST Scheme becoming effective and binding in accordance with its terms. A-HTRUST Stapled Securityholders should note that by voting in favour of the Scheme, A-HTRUST will subject to the approval of SGX-ST be de-listed from the Official List of the SGX-ST.

We note that both A-HTRUST and Ascott Reit have the right to terminate the Scheme at any time from the Implementation Date up to the Relevant Date, subject to prior consultation with and approval of the SIC. In such circumstance, the Break Fee and the Reverse Break Fee may be payable by the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager on the one hand and the Ascott Reit Trustee on the other. We note also that the A-HTRUST REIT Trustee and the A-HTRUST Managers have agreed to grant the Ascott Reit Trustee and the Ascott Reit Manager both exclusivity and the right to make, within an agreed period, a matching or superior proposal should a Competing Offer be made for A-HTRUST. Details of such arrangements are set out in Paragraph 2.7 of the Scheme Document.

8.15 Financial Effects of the Scheme Consideration

The pro forma financial effects of the Proposed Combination are set out in Paragraph 2.4 of the Scheme Document.

We highlight that, on the basis presented and using the assumptions made, the pro forma distribution attributable to the holder of one A-HTRUST Stapled Security for the FY ended 31 March 2019 would have been 6.14 cents, assuming the Combination had been completed on 1 April 2018. This is 1.8% higher than the distribution of 6.03 cents that was attributable to one A-HTRUST Stapled Security for the equivalent period.

We highlight also that that the Combination is not expected to have any material impact on the NAV attributable to the holder of A-HTRUST Stapled Securityholders.

9. OUR RECOMMENDATION

In arriving at our recommendation, we have taken into account the following factors which we consider to have a significant bearing on our assessment of the Scheme:

- (1) The strategic rationale for the Scheme;
- (2) The Scheme Consideration is higher than the closing prices recorded for A-HTRUST Stapled Securities at all times in the five-year period prior to the Last Closing Price Date;
- (3) The Scheme Consideration represents a premium of 31.8%, 24.0%, 18.9%, 13.8%, 11.3% and 11.9% over the VWAP for the A-HTRUST Stapled Securities for the one-year, six-month, three-month, one-month and one-week periods prior to and including the Last Closing Price Date respectively;
- (4) The cash component of the Scheme Consideration is in line with the two precedent real-estate based S-REIT amalgamations. Such cash component gives an option to A-HTRUST Stapled Securityholders either to reinvest to maintain their proportionate interest or to treat such component as a partial realisation of their investment;
- (5) The Scheme Consideration represents a P/NAV multiple of 1.10x as at the Last Closing Price Date based upon the unaudited financial statements of A-HTRUST as at 30 June 2019. This is significantly higher than the P/NAV multiples achieved by the A-HTRUST Stapled Securities over the six-month and twelve-month periods prior to the Last Closing Price Date;

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INDEPENDENT DIRECTORS AND TO THE A-HTRUST REIT TRUSTEE
IN RESPECT OF THE A-HTRUST SCHEME**

- (6) The P/NAV multiple of 1.10x implied by the Scheme Consideration is within the range of such multiples of 0.79x and 1.11x for selected comparable hospitality S-REITs as at the Last Practicable Date;
- (7) The issue price of Consideration Units represents premium of 17.8%, 12.4%, 8.2%, 3.7%, 2.5% and 2.2% over the VWAP for the Ascott Reit Units for the one-year, six-month, three-month, one-month and one-week periods prior to and including the Last Closing Price Date respectively. These premia are at all points substantially lower than the premia for equivalent periods for the Scheme Consideration over the VWAP for the A-HTRUST Stapled Securities;
- (8) The issue price of the Consideration Units represents a P/NAV multiple of 1.03x as at the Last Closing Price Date. This represents a premium over the mean P/NAV multiple but is in line with the median P/NAV multiple for the Ascott Reit Units for the six-month and twelve-month periods prior to the Last Closing Price Date. We note that the implied P/NAV of Scheme Consideration for the A-HTRUST Stapled Securities is higher than that for the Ascott Reit Units on all the measures presented;
- (9) The P/NAV of 1.03x implied by the issue price for Consideration Units is within the range of multiples for the selected comparable hospitality S-REITs but slightly higher than the mean and median multiples as at the Last Closing Price Date;
- (10) The assurance given by the SSA 805 opinion where A-HTRUST Auditors have rendered an unqualified opinion. We note that the A-HTRUST Auditors have also considered the carrying value of the serviced apartment properties held by Ascott Reit and its subsidiaries as of 30 June 2019;
- (11) The premia of 11.5% and 19.0% implied by the A-HTRUST Scheme Consideration over the prevailing P/NAV of the A-HTRUST Stapled Securities as at the Last Closing Price Date is substantially higher than the equivalent premia offered to the target S-REITs in each of the two precedent amalgamation transactions. However, such premia are less than the equivalent premia offered to the target S-REITs in each of the three precedent takeover transactions. This may in part be explained by the fact that the A-HTRUST Scheme is a Combination whereby A-HTRUST Stapled Securityholders obtain a new security which will in time be listed on the SGX-ST;
- (12) The premium implied by the A-HTRUST Scheme Consideration is lower than the mean and median premia for Precedent Privatisation Transactions for all periods selected to compute VWAP. This may in part be explained by the fact that the A-HTRUST Scheme is a Combination whereby A-HTRUST Stapled Securityholders obtain a new security which will in time be listed on the SGX-ST;
- (13) On the basis presented and using the assumptions made, if the Combination had been completed on 1 April 2018, the pro forma distribution attributable to A-HTRUST Stapled Securityholders for the FY ended 31 March 2019 would have been 1.8% higher than the distribution that would have been received during the same period if the Ascott REIT's historical pay-out ratio had been applied to the Combined Entity; and
- (14) The Combination is not expected to have any material impact on the NAV attributable to A-HTRUST Stapled Securityholders.

Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the opinion that the financial terms of the A-HTRUST Scheme are fair and reasonable. Accordingly, we advise the A-HTRUST Independent Directors to recommend that the A-HTRUST Stapled Securityholders vote in favour of the A-HTRUST Scheme Resolution.

In arriving at our recommendation, we wish to emphasise that we have relied on representations

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made by the A-HTRUST Directors relating to current intentions and future directions of A-HTRUST. In addition, the A-HTRUST Independent Directors and the A-HTRUST REIT Trustee should note that we have arrived at our conclusion based upon information made available to us up to and including the Latest Practicable Date.

In rendering the above advice, we have not had regard to the specific investment objectives, financial situation, tax position or particular needs and constraints of any individual A-HTRUST Stapled Securityholder. As each A-HTRUST Stapled Securityholder has different investment objectives and profile, we would advise that individual A-HTRUST Stapled Securityholder who require specific advice in relation to their investment objectives or portfolio should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

A-HTRUST Stapled Securityholders should note that the trading of the A-HTRUST Stapled Securities is subject to, *inter alia*, the performance and prospects of A-HTRUST, prevailing economic conditions, economic outlook and stock market conditions and sentiments. Accordingly, our advice on the Scheme does not and cannot take into account future trading activities or patterns or price levels that may be established for the A-HTRUST Stapled Securities after the Latest Practicable Date since these are governed by factors beyond the ambit of our review and also, such advice, if given, would not fall within our terms of reference in connection with the Scheme.

The A-HTRUST Independent Directors and the A-HTRUST REIT Trustee should note that trading in the A-HTRUST Stapled Securities is subject to possible market fluctuations and, accordingly, our advice on the Scheme cannot and does not take into account the future trading activity or patterns or price levels that may be established for the A-HTRUST Stapled Securities as these are governed by factors beyond the ambit of our review and would not fall within the terms of reference in connection with the Scheme.

Our recommendations are addressed to the A-HTRUST Independent Directors and the A-HTRUST REIT Trustee for their benefit in connection with and for the purposes of their consideration of the Scheme. Any recommendations made by the A-HTRUST Independent Directors in respect of the Scheme shall remain their responsibility.

Our recommendations may not be used and/or relied on by any other person for any purpose at any time and in any manner except with our prior written consent in each specific case.

Our recommendations are governed by the laws of Singapore, and are strictly limited to the matters stated in this letter and do not apply by implication to any other matter.

Yours faithfully

For and on behalf of
Deloitte & Touche Corporate Finance Pte Ltd

Jeff Pirie

Executive Director

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APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

Ascott Residence Trust Management Limited
(Company Registration No: 200516209Z)
(Incorporated in the Republic of Singapore)

26 September 2019

To: Stapled Unitholders of Ascendas Hospitality Trust

Dear Sir/Madam

PROPOSED COMBINATION OF ASCOTT RESIDENCE TRUST AND ASCENDAS HOSPITALITY TRUST BY WAY OF A TRUST SCHEME OF ARRANGEMENT

1. INTRODUCTION

1.1 Introduction

On 3 July 2019 (“**Joint Announcement Date**”), the respective boards of directors of Ascott Residence Trust Management Limited, as manager of Ascott Residence Trust (“**Ascott Reit**”), Ascendas Hospitality Fund Management Pte. Ltd., as manager of Ascendas Hospitality Real Estate Investment Trust and Ascendas Hospitality Trust Management Pte. Ltd., as trustee-manager of Ascendas Hospitality Business Trust, announced the proposed combination of Ascott Reit and Ascendas Hospitality Trust (“**A-HTRUST**” and such combination, the “**Combination**”).

The Combination is to be effected through the acquisition by Ascott Reit of all the issued and paid-up stapled units in A-HTRUST (“**A-HTRUST Stapled Units**”) by way of a trust scheme of arrangement for a consideration of S\$1.0868 for each A-HTRUST Stapled Unit (“**A-HTRUST Scheme Consideration**”). The A-HTRUST Scheme Consideration comprises S\$0.0543 in cash and 0.7942 units (“**Ascott Reit-BT Stapled Units**”) in a stapled Ascott Reit and Ascott Business Trust (the “**Ascott BT**”) issued at a price of S\$1.30 each. The A-HTRUST Scheme Consideration is based on a gross exchange ratio of 0.836x, which was derived from the audited net asset value for each A-HTRUST Stapled Unit as at 31 March 2019 of S\$1.02 divided by the audited net asset value for each Ascott Reit Unit as at 31 December 2018 of S\$1.22.

By way of illustration, if the Combination becomes effective in accordance with its terms, a holder of A-HTRUST Stapled Units (“**A-HTRUST Stapled Unitholder**”) will receive S\$54.30 in cash and 794 Ascott Reit-BT Stapled Units for every 1,000 A-HTRUST Stapled Units held by him/her as at the books closure date to determine the entitlements of the A-HTRUST Stapled Unitholders in respect of the A-HTRUST Scheme (“**A-HTRUST Scheme Entitlement Date**”) ¹.

¹ For further details on the A-HTRUST Scheme Consideration, including as to the rounding of the aggregate Cash Consideration to be paid and number of Consideration Units to be issued to each A-HTRUST Stapled Unitholder, please refer to **paragraph 7.1**.

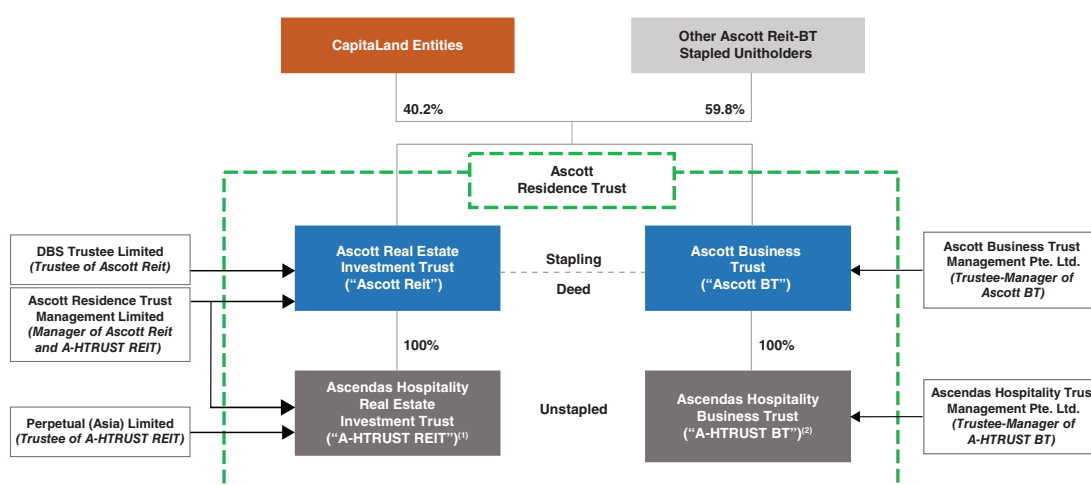
APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

1.2 Structure

The unitholding percentages of CapitaLand Limited (“**CapitaLand**”) and certain of its wholly-owned subsidiaries as set out below (“**CapitaLand Entities**”) as at the Joint Announcement Date² in each of Ascott Reit and A-HTRUST and (immediately upon completion of the Combination, on the bases and assumptions set out in the Scheme Document) the stapled Ascott Reit and Ascott BT (“**Combined Entity**”) are set out as follows:

CapitaLand Entities	Ascott Reit (%) ³	A-HTRUST (%) ⁴	Combined Entity (%) ⁵
The Ascott Limited (“ TAL ”))	21.9	–	15.4
Somerset Capital Pte Ltd (“ SCPL ”))	14.4	–	10.2
Ascott Residence Trust Management Limited (“ Ascott Reit Manager ”))	8.6	–	6.4
Ascendas Land International Pte. Ltd. (“ ALI ”))	–	28.0	8.2
Total	45.0	28.0	40.2

The structure of the Combined Entity, DBS Trustee Limited (“**Ascott Reit Trustee**”), the Ascott Reit Manager and the Ascott BT Trustee-Manager is set out as follows:



Notes:

- (1) A-HTRUST REIT will cease to exist as a real estate investment trust under the SFA and an authorised collective investment scheme.
- (2) A-HTRUST BT will cease to be a registered business trust under the BTA.

² For the resultant unitholding percentages as at the Latest Practicable Date, please refer to **paragraph 6.5 of Schedule A, Part 1** to this Letter.

³ Calculated based on a total of approximately 2,174.8 million units in Ascott Reit (“**Ascott Reit Units**”) as at the Joint Announcement Date.

⁴ Calculated based on a total of approximately 1,136.7 million A-HTRUST Stapled Units as at the Joint Announcement Date.

⁵ Calculated based on an aggregate of approximately 3,086.3 million Ascott Reit-BT Stapled Units, based on 902.8 million Consideration Units to be issued (which, in turn, is based on a total of 1,136.7 million A-HTRUST Stapled Units as at the Joint Announcement Date). This figure does not take into consideration any fees that may be payable in units to the Ascott Reit Manager or the A-HTRUST Managers prior to the Effective Date.

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1.3 Scheme Document

This Letter from the Ascott Reit Manager (“**Letter**”) to the A-HTRUST Stapled Unitholders should be read and construed together with, and in the context of, the scheme document dated 26 September 2019 (“**Scheme Document**”) issued by Ascendas Hospitality Fund Management Pte. Ltd., as manager of Ascendas Hospitality Real Estate Investment Trust and Ascendas Hospitality Trust Management Pte. Ltd., as trustee-manager of Ascendas Hospitality Business Trust (“**A-HTRUST Managers**”) to the A-HTRUST Stapled Unitholders containing details of the A-HTRUST Scheme. Unless otherwise stated, terms used but not defined in this Letter shall have the same meanings as defined in the Scheme Document.

If you are in any doubt about this Letter, the Combination or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers immediately.

2. ASCOTT REIT, ASCOTT REIT MANAGER AND ASCOTT BT TRUSTEE-MANAGER

2.1 Ascott Reit

Ascott Reit is a real estate investment trust constituted on 19 January 2006 under the laws of the Republic of Singapore. Its trustee is the Ascott Reit Trustee and the principal office of its trustee in Singapore is at 12 Marina Boulevard, Marina Bay Financial Centre, Singapore 018982. The principal office of the Ascott Reit Manager in Singapore is at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912.

Ascott Reit is Singapore’s first and largest hospitality real estate investment trust with an asset size of S\$5.5 billion as at 30 June 2019. It has been listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) since March 2006. Ascott Reit was established with the objective of investing primarily in real estate and real estate-related assets which are income-producing and which are used or predominantly used as serviced residences, rental housing properties and other hospitality assets. As at the Joint Announcement Date, Ascott Reit’s international portfolio comprised 74 properties with over 11,700 units in 37 cities across 14 countries in Asia Pacific, Europe and the United States of America⁶.

Certain key financial information with respect to Ascott Reit and its subsidiaries (“**Ascott Reit Group**” and each entity in the Ascott Reit Group, an “**Ascott Reit Group Entity**”) as at and for the financial year ended 31 December 2018 (“**FY2018**”) is set out as follows:

Ascott Reit Group	Information (S\$ million)
Net asset value ⁷ (“ NAV ”)	2,644.1
Net tangible asset value (“ NTA ”)	
Net profits before tax	195.4
Total assets	5,309.1
Aggregate valuation of portfolio ⁸	4,942.9

⁶ These figures include the development of lyf one-north Singapore.

⁷ For the purposes of this Letter, all references to “**NAV**” or “**NTA**” of the Ascott Reit Group exclude funds represented by perpetual securities and non-controlling interests, and all references to “**NAV**” or “**NTA**” of the A-HTRUST Group exclude non-controlling interests.

⁸ The valuations were carried out by Colliers International as at 31 December 2018 based on a discounted cash flow approach, which is in line with market practice.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

On 30 July 2019, Ascott Reit announced its financial results for the six-month period ended 30 June 2019 (“**Ascott Reit 1H 2019 Financial Results**”), which was reported on by KPMG LLP (“**Ascott Reit Auditors**”) and Australia and New Zealand Banking Group Limited, Singapore Branch (“**Ascott Reit IFA**”) in accordance with Rule 25.6 of The Singapore Code on Take-overs and Mergers (“**Code**”). Such results, together with such reports, are set out in the composite document dated 26 September 2019 issued by the Ascott Reit Manager to the unitholders of Ascott Reit (“**Ascott Reit Unitholders**”) and such document, the “**Ascott Reit Composite Document**”) and in **Schedules D, E and F** to this Letter.

2.2 Ascott Reit Manager and Ascott BT Trustee-Manager

Ascott Reit is managed by the Ascott Reit Manager. The Ascott Reit Manager holds a Capital Market Services Licence (“**CMS Licence**”) for Real Estate Investment Trust (“**REIT**”) Management pursuant to the Securities and Futures Act (Cap. 289 of Singapore) (“**SFA**”).

On 9 September 2019, Ascott Reit established a wholly-owned business trust, the Ascott BT. The trustee of Ascott BT is Ascott Business Trust Management Pte. Ltd. (“**Ascott BT Trustee-Manager**”) and, together with the Ascott Reit Manager, the “**Ascott Reit-BT Managers**”). After the registration of Ascott BT as a registered business trust under the Business Trusts Act (Cap. 31A of Singapore) (“**BTA**”), the trustee-manager of Ascott BT will be the Ascott BT Trustee-Manager.

Each Ascott Reit-BT Manager is a wholly-owned subsidiary of CapitaLand.

As at the Latest Practicable Date:

- (a) the board of directors of the Ascott Reit Manager comprises the following persons (“**Ascott Reit Directors**”): Mr. Tan Beng Hai, Bob, Ms. Beh Siew Kim, Mr. Zulkifli Bin Baharudin, Mr. Sim Juat Quee Michael Gabriel, Ms. Elaine Carole Young, Mr. Lee Chee Koon and Mr. Lim Cho Pin Andrew Geoffrey; and
- (b) the board of directors of the Ascott BT Trustee-Manager comprises Ms. Beh Siew Kim. On or prior to the registration of Ascott BT as a registered business trust under the BTA, the following persons shall be appointed on the board of directors of the Ascott BT Trustee-Manager, such that the boards of the Ascott Reit-BT Managers comprise the same persons: Mr. Tan Beng Hai, Bob, Mr. Zulkifli Bin Baharudin, Mr. Sim Juat Quee Michael Gabriel, Ms. Elaine Carole Young, Mr. Lee Chee Koon and Mr. Lim Cho Pin Andrew Geoffrey.

2.3 Additional Information

Additional information relating to Ascott Reit, Ascott BT and the Ascott Reit-BT Managers are set out in **Schedule A, Parts 1 and 2** to this Letter.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3. A-HTRUST, A-HTRUST REIT MANAGER AND A-HTRUST BT TRUSTEE-MANAGER

3.1 A-HTRUST

A-HTRUST is a stapled group comprising Ascendas Hospitality Real Estate Investment Trust (“**A-HTRUST REIT**”) and Ascendas Hospitality Business Trust (“**A-HTRUST BT**”), established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate used predominantly for hospitality purposes, as well as real estate-related assets in connection with the foregoing. A-HTRUST was listed on the SGX-ST on 27 July 2012. Each unit in A-HTRUST REIT (“**A-HTRUST REIT Unit**”) is stapled to one unit in A-HTRUST BT (“**A-HTRUST BT Unit**”) under the terms of the A-HTRUST Stapling Deed dated 13 March 2012 (as amended) (“**A-HTRUST Stapling Deed**”). As at the Joint Announcement Date, A-HTRUST’s portfolio comprised 14 properties (“**A-HTRUST Properties**”) with over 4,700 rooms in seven cities across four countries in the Asia Pacific region.

Certain key financial information with respect to A-HTRUST and its subsidiaries and sub-trusts (“**A-HTRUST Group**” and each entity in the A-HTRUST Group, an “**A-HTRUST Group Entity**”) as at and for the financial year ended 31 March 2019 (“**FY2018/2019**”) is set out as follows:

A-HTRUST Group	Information (S\$ million)
NAV	1,153.6
NTA	
Net profits before tax (from continuing operations)	98.6
Total assets	1,938.4
Aggregate valuation of portfolio ⁹	1,822.5

At the annual general meeting of A-HTRUST on 10 July 2019, the A-HTRUST Stapled Unitholders approved the amendment to the A-HTRUST REIT Trust Deed dated 13 March 2012 (as amended) (“**A-HTRUST REIT Trust Deed**”) and the A-HTRUST BT Trust Deed dated 13 March 2012 (as amended) (“**A-HTRUST BT Trust Deed**” and, together with the A-HTRUST REIT Trust Deed, the “**A-HTRUST Trust Deeds**”) to reflect the change to the financial year-end of A-HTRUST REIT and A-HTRUST BT, respectively, from 31 March to 31 December. Accordingly, the current financial year of A-HTRUST will be a nine-month period from 1 April 2019 to 31 December 2019 and, thereafter, the financial year-end of A-HTRUST REIT and A-HTRUST BT will be a 12-month period ending 31 December of each such year.

⁹ The valuations were carried out by, in respect of:

- (i) the Australia portfolio, Cushman & Wakefield (Valuations) Pty Ltd;
- (ii) the Japan portfolio, JLL Morii Valuation & Advisory K.K.;
- (iii) the South Korea portfolio, CBRE Korea Co., Ltd.; and
- (iv) the Singapore portfolio, CBRE Pte. Ltd.,

in each case, based on standards in line with market practice, including using a capitalisation method or discounted cash flow analysis.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

On 1 August 2019, A-HTRUST announced its financial results for the financial quarter ended 30 June 2019, which was reported on by Ernst & Young LLP and Deloitte & Touche Corporate Finance Pte Ltd (the latter being the “A-HTRUST IFA”) in accordance with Rule 25.6 of the Code. Such results, together with such reports, are set out in the Scheme Document.

3.2 A-HTRUST REIT Manager and A-HTRUST BT Trustee-Manager

A-HTRUST REIT is managed by Ascendas Hospitality Fund Management Pte. Ltd. (“A-HTRUST REIT Manager”) and A-HTRUST BT is managed by Ascendas Hospitality Trust Management Pte. Ltd. (“A-HTRUST BT Trustee-Manager”). Each A-HTRUST Manager is a wholly-owned subsidiary of CapitaLand. The A-HTRUST REIT Manager holds a CMS Licence for REIT Management pursuant to the SFA.

As at the Latest Practicable Date, the board of directors of each of the A-HTRUST Managers comprises the following persons: Mr. Miguel Ko, Mr. Chia Kim Huat, Mr. Manohar Khatani, Mr. Tan Juay Hiang, Mr. Robert Hecker, Mr. Michael Issenberg, Ms. Deborah Lee Siew Yin, Mr. Patrick Lee Fook Yau and Mr. Willy Shee Ping Yah.

4. COMBINED ENTITY

The Combined Entity will be named “Ascott Residence Trust” and Ascott Reit will be renamed “Ascott Real Estate Investment Trust”. As noted in **paragraph 1.1**, the Ascott BT is named “Ascott Business Trust”.

Additional information relating to the rights, interests, liabilities and tax position of holders of Ascott Reit-BT Stapled Units (“Ascott Reit-BT Stapled Unitholders”), as unitholders of the Combined Entity, are set out in **Schedule B** to this Letter.

5. RATIONALE

The rationale for the Combination is set out in **paragraph 2.4** to the Letter to A-HTRUST Stapled Securityholders set out in the Scheme Document.

6. FUTURE INTENTIONS FOR COMBINED ENTITY

With respect to the Combination:

- (a) **investment mandate:** the present investment mandate of the Ascott Reit Group, as noted in **paragraph 2.1**, is to invest in real estate and real estate-related assets which are income-producing and which are used or predominantly used as, amongst other things, hospitality assets in any country in the world. This would encompass the present investment mandate of the A-HTRUST Group, which, as noted in **paragraph 3.1**, is similarly to invest in income-producing real estate used predominantly for hospitality purposes. Accordingly, the Ascott Reit Manager has no intention of expanding the investment mandate of Ascott Reit following the Combination, as it considers that there is no need to do so;

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

- (b) **right of first refusal:** after the Combination, the agreement in relation to the right of first refusal granted by ALI, as sponsor of A-HTRUST, in favour of the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager dated 9 July 2012 (as amended) (“**A-HTRUST ROFR**”) pursuant to which ALI had granted a right of first refusal to A-HTRUST in the event ALI wishes to dispose of certain assets which are subject to the A-HTRUST ROFR, will be novated by ALI to TAL, such that TAL becomes the obligor under the A-HTRUST ROFR. As arrangements with respect to rights of first refusals of this nature are customarily given by the sponsor of a REIT or business trust, such novation would ensure that TAL, as sponsor of the Combined Entity, would be the obligor under the A-HTRUST ROFR.

It should be noted that there are presently no assets which are subject to the A-HTRUST ROFR, nor does ALI have any present intention to acquire any such assets;

- (c) **fee structure:** after the Combination, as A-HTRUST REIT and A-HTRUST BT will be wholly-owned, unlisted sub-trusts of Ascott Reit and Ascott BT, respectively, the A-HTRUST Trust Deeds will be amended to reflect provisions customary of a wholly-owned, unlisted sub-trust. In this regard, the fee structure of the A-HTRUST Group will be amended, such that fees which would otherwise have been payable to the A-HTRUST Managers (including base management fees, performance management fees, acquisition and divestment fees) will instead be payable to the Ascott Reit-BT Managers. Such fees are not materially different from the fee structure of the A-HTRUST Group as presently adopted and will, after the Combination, be based on the fee structure of the Ascott Reit Group presently adopted;
- (d) **board of directors:** subject to further evaluation by the board of directors of the Ascott Reit Manager (“**Ascott Reit Board**”), the Ascott Reit Manager has no intention to amend the present constitution of the Ascott Reit Board pursuant to the Combination;
- (e) **trustee and trustee-manager:** each of the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager will remain as trustee of the unlisted A-HTRUST REIT and A-HTRUST BT, as the case may be, immediately upon completion of the Combination; and
- (f) **real estate investment trust manager:** on or about completion of the Combination, the A-HTRUST REIT Manager will retire as manager of A-HTRUST REIT and the Ascott Reit Manager will be appointed as the manager of the unlisted A-HTRUST REIT, in each case, in accordance with the terms of the A-HTRUST REIT Trust Deed, such that the Ascott Reit Manager has control over the management of all of the assets held by Ascott Reit (whether directly or indirectly).

Save as set out above, there is presently no intention to (i) introduce any major changes to the business of A-HTRUST, (ii) re-deploy the fixed assets of A-HTRUST or (iii) discontinue the employment of the employees of the A-HTRUST Group, in each case, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Combined Entity which may be implemented after the Combination.

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The Ascott Reit Board and, after the Combination, the board of directors of the Ascott BT Trustee-Manager, each retains and reserves the right and flexibility at any time and from time to time to consider any options in relation to the Combined Entity which may present themselves and which they may regard to be in the interests of the Combined Entity.

It is not contemplated that any new interested person transaction (including any new master lease) will be entered into with the Ascott Reit-BT Group, being the Combined Entity and its subsidiaries, in connection with the Combination. Following the Combination, the Ascott Reit Manager and the Ascott BT Trustee-Manager regularly conduct, or will regularly conduct, strategic reviews of, and consider, or will consider, various proposals in relation to, its business and operations with a view to maximising unitholder value. Certain reviews and proposals may be interested person transactions or may involve the entry into master leases. In considering and entering into such reviews and proposals, the Ascott Reit Manager and the Ascott BT Trustee-Manager will comply with its respective disclosure obligations in accordance with the Listing Manual and will make such announcements as may be appropriate from time to time.

7. CONSIDERATION

7.1 A-HTRUST Scheme Consideration

The consideration of S\$1.0868 for each A-HTRUST Stapled Unit comprises S\$0.0543 in cash (“**Cash Consideration**”) and 0.7942 Ascott Reit-BT Stapled Units (“**Consideration Units**”) for each A-HTRUST Stapled Unit.

The A-HTRUST Scheme Consideration will be paid to each A-HTRUST Stapled Unitholder as at the A-HTRUST Scheme Entitlement Date.

The Consideration Units will:

- (a) when issued, be duly authorised, validly issued and fully paid-up and will rank *pari passu* in all respects with the existing Ascott Reit-BT Stapled Units as at the date of their issue;
- (b) be issued free from any and all Encumbrances and restrictions on transfers and no person shall have any rights of pre-emption over the Consideration Units; and
- (c) be issued at an issue price of S\$1.30¹⁰ for each Ascott Reit-BT Stapled Unit, being the price agreed between the Parties at which the Consideration Units will be issued.

¹⁰ For the avoidance of doubt, the price of each Ascott Reit Unit or the Ascott Reit-BT Stapled Unit may trade at a price which is above or below S\$1.30 for each such unit. There will not be any adjustment to the amount of the Cash Consideration or the number of the Consideration Units to be issued to reflect any such price differential.

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For the avoidance of doubt:

- (i) the Consideration Units will be issued with all rights, benefits and entitlements attaching thereto as at the date of their issue (not as at the Joint Announcement Date, the Latest Practicable Date or any other date) and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the Ascott Reit Manager or the Ascott BT Trustee-Manager on or after the date of their issue (and not on the Joint Announcement Date, the Latest Practicable Date or any other date);
- (ii) the Consideration Units will not be entitled to the Ascott Reit Permitted Distributions; and
- (iii) the Parties shall be entitled to declare, make or pay the Ascott Reit Permitted Distributions and the A-HTRUST Permitted Distributions (as the case may be) without any adjustment to the A-HTRUST Scheme Consideration. The A-HTRUST Stapled Unitholders shall have the right to receive and retain the A-HTRUST Permitted Distributions in addition to the A-HTRUST Scheme Consideration.

The aggregate Cash Consideration to be paid to each A-HTRUST Stapled Unitholder shall be rounded to the nearest S\$0.01. The number of Consideration Units which each A-HTRUST Stapled Unitholder shall be entitled to pursuant to the A-HTRUST Scheme, based on the number of the A-HTRUST Stapled Units held by such A-HTRUST Stapled Unitholder as at the A-HTRUST Scheme Entitlement Date, shall be rounded down to the nearest whole number, and fractional entitlements shall be disregarded.

The Ascott Reit Manager reserves the right to adjust the A-HTRUST Scheme Consideration by reducing the cash component of the A-HTRUST Scheme Consideration, the unit component of the A-HTRUST Scheme Consideration or by any combination of such cash and unit components, if and to the extent any distribution in excess of the A-HTRUST Permitted Distributions is declared, made or paid by the A-HTRUST Managers on or after the Joint Announcement Date.

7.2 Cash Confirmation

Citigroup Global Markets Singapore Pte. Ltd. (“**Citi**”), the sole financial adviser to the Ascott Reit Manager in respect of the Combination, confirms that sufficient financial resources are available to Ascott Reit to satisfy in full the aggregate Cash Consideration payable by the Ascott Reit Trustee for all the A-HTRUST Stapled Units to be acquired by Ascott Reit and Ascott BT pursuant to the Combination¹¹.

¹¹ Based on a total of 1,136.7 million A-HTRUST Stapled Units as at the Joint Announcement Date, the aggregate Cash Consideration is S\$61.8 million.

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8. KEY TERMS OF PROPOSED COMBINATION

8.1 Scheme Implementation Agreement

In connection with the Combination, the Ascott Reit Trustee (in its capacity as trustee of Ascott Reit), the Ascott Reit Manager, Perpetual (Asia) Limited (in its capacity as trustee of A-HTRUST REIT) (“**A-HTRUST REIT Trustee**”) and the A-HTRUST Managers (“**Parties**”) have on the Joint Announcement Date entered into an implementation agreement (as amended) (“**Scheme Implementation Agreement**”) setting out the terms and conditions on which the Combination will be implemented. The following key steps will be taken in relation to the Combination:

- (a) Ascott Reit has established a wholly-owned business trust, Ascott BT. As at the Latest Practicable Date, there is one unit in Ascott BT (“**Ascott BT Unit**”) and as at the books closure date to determine the entitlements of the Ascott Reit Unitholders in respect of the Ascott Reit Scheme (“**Ascott Reit Scheme Entitlement Date**”), the number of Ascott BT Units will be equivalent to the number of issued and outstanding Ascott Reit Units;
- (b) pursuant to a trust scheme of arrangement by Ascott Reit (“**Ascott Reit Scheme**”) to be effected in accordance with the Ascott Reit Trust Deed dated 19 January 2006 (as amended) (“**Ascott Reit Trust Deed**”), all the Ascott BT Units will be distributed *in specie* to the Ascott Reit Unitholders as at the Ascott Reit Scheme Entitlement Date and each Ascott BT Unit will be stapled to one Ascott Reit Unit so as to form one Ascott Reit-BT Stapled Unit in accordance with the stapling deed of Ascott Reit and Ascott BT (“**Ascott Reit-BT Stapling Deed**”); and
- (c) pursuant to a trust scheme of arrangement by A-HTRUST (“**A-HTRUST Scheme**”) to be effected in accordance with the Code and the A-HTRUST Trust Deeds and the A-HTRUST Stapling Deed each dated 13 March 2012 (as amended), on the date falling not later than seven Business Days after the Effective Date:
 - (i) the A-HTRUST Managers will unstaple the A-HTRUST REIT Units and the A-HTRUST BT Units from the other and effect such unstapling before any A-HTRUST REIT Unit and A-HTRUST BT Unit may be transferred to the Ascott Reit Trustee and the Ascott BT Trustee-Manager, respectively, pursuant to the A-HTRUST Scheme, such that each and every A-HTRUST Stapled Unit which is transferred to the Ascott Reit Trustee and the Ascott BT Trustee-Manager, respectively, pursuant to the A-HTRUST Scheme shall be transferred on an unstapled basis; and
 - (ii) the Ascott Reit Trustee will acquire all the A-HTRUST REIT Units, and the Ascott BT Trustee-Manager will acquire all the A-HTRUST BT Units, for the A-HTRUST Scheme Consideration, in each case, fully paid, free from all Encumbrances and together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the A-HTRUST Managers on or after the Joint Announcement Date, except for the A-HTRUST Permitted Distributions.

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With respect to **paragraph 8.1(a)**:

- (x) pursuant to the establishment of the Ascott BT and the stapled Ascott Reit and Ascott BT structure, a trust deed in relation to the Ascott BT (“**Ascott BT Trust Deed**”) and the Ascott Reit-BT Stapling Deed, each dated 9 September 2019, have been entered into (with the latter to take effect on and from the date on which the Ascott Reit Scheme is implemented, being a date falling not later than seven Business Days after the Effective Date); and
- (y) further details on Ascott BT and the stapled Ascott Reit and Ascott BT structure, including the formation and structure of Ascott BT and the stapled Ascott Reit and Ascott BT structure, the rights, preferences and restrictions attaching to each class of Ascott BT Units and the stapling and unstapling procedures of the Ascott Reit Units and the Ascott BT Units, are set out in the Ascott Reit Composite Document.

With respect to **paragraph 8.1(c)**, such acquisition by the Ascott Reit Trustee, in consideration for the A-HTRUST Scheme Consideration (“**Ascott Reit Acquisition**”), requires the approval of the Ascott Reit Unitholders under Rules 906(1) and 1014(2) of the Listing Manual and Paragraph 5.2(b) of Appendix 6 (Property Funds Appendix) of the Code on Collective Investment Schemes (“**Property Funds Appendix**”), in each case, with TAL, SCPL and the Ascott Reit Manager abstaining from voting on such resolutions, as required under Rule 919 of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix. Further details with respect to the Ascott Reit Acquisition are set out in the Ascott Reit Composite Document.

8.2 Conditions to Completion

- (a) The Combination is subject to the satisfaction or waiver of the conditions (“**Conditions**”) set out in **paragraph 2.5** to the Letter to A-HTRUST Stapled Securityholders set out in the Scheme Document.

The status as to satisfaction of the Conditions as at the Latest Practicable Date, and any conditions on which such Conditions have been granted, have been set out in **paragraph 2.5** to the Letter to A-HTRUST Stapled Securityholders set out in the Scheme Document.

- (b) The Scheme Implementation Agreement may be terminated if any Condition set out in:
 - (i) **paragraph 2.5(a)(i), (ii) or (iii)** to the Letter to A-HTRUST Stapled Securityholders set out in the Scheme Document has not been satisfied (or, where applicable, has not been waived) by 11.59 p.m. on 31 December 2019 (or such other time and date as the Parties may agree) (“**Long-Stop Date**”) and the non-satisfaction of such Condition is material in the context of the Combination; or
 - (ii) **paragraph 2.5(a)(iv), (v), (vi) or (vii)** to the Letter to A-HTRUST Stapled Securityholders set out in the Scheme Document is not satisfied (or, where applicable, has not been waived) on the Business Day immediately preceding the Effective Date and the non-satisfaction of such Condition is material in the context of the Combination (“**Relevant Date**”),

in each case, by the relevant Party or Parties having the right to terminate the Scheme Implementation Agreement for the non-satisfaction of such Condition.

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- (c) Without prejudice to any other rights of termination under the Scheme Implementation Agreement, the Scheme Implementation Agreement may be terminated at any time from the Joint Announcement Date to (and including) the Relevant Date:
- (i) if there has been a decree, determination, injunction, judgment or other order (which is final and non-appealable) issued by any court of competent jurisdiction or by any governmental authority which has the effect of permanently enjoining, restraining or otherwise prohibiting the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition or the A-HTRUST Scheme or any part thereof;
 - (ii) if there is a breach of certain warranties given by the Ascott Reit Trustee or the Ascott Reit Manager in the Scheme Implementation Agreement (“**Ascott Reit Warranties**”) which are material in the context of the Combination and the Ascott Reit Trustee or the Ascott Reit Manager fails to remedy such breach (if capable of remedy) within 14 days after being given notice by the A-HTRUST REIT Trustee or any A-HTRUST Manager to do so;
 - (iii) if the Ascott Reit Manager fails to perform and comply in all material respects with certain material undertakings given by the Ascott Reit Manager in the Scheme Implementation Agreement (“**Ascott Reit Material Covenants**”) which are required to be performed or complied with by it on or prior to the Relevant Date;
 - (iv) if there is a breach of certain warranties given by the A-HTRUST REIT Trustee or the A-HTRUST Managers in the Scheme Implementation Agreement (“**A-HTRUST Warranties**”) which are material in the context of the Combination and the A-HTRUST REIT Trustee or any A-HTRUST Manager fails to remedy such breach (if capable of remedy) within 14 days after being given notice by the Ascott Reit Trustee or the Ascott Reit Manager to do so;
 - (v) if the A-HTRUST REIT Trustee or any A-HTRUST Manager fails to perform and comply in all material respects with certain material undertakings given by the A-HTRUST REIT Trustee or the A-HTRUST Managers in the Scheme Implementation Agreement (“**A-HTRUST Material Covenants**”) which are required to be performed or complied with by it on or prior to the Relevant Date;
 - (vi) if there has been an occurrence of an Ascott Reit Material Adverse Effect; or
 - (vii) if there has been an occurrence of an A-HTRUST Material Adverse Effect,
- in each case, by the relevant Party or Parties having the right to terminate the Scheme Implementation Agreement for the non-satisfaction of the relevant Condition to which such matters relate.

The Ascott Reit Warranties, the Ascott Reit Material Covenants, the A-HTRUST Warranties and the A-HTRUST Material Covenants are defined in the Scheme Document.

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8.3 Implementation

Each of the Ascott Reit Trustee (to the extent applicable), the Ascott Reit Manager, the A-HTRUST REIT Trustee (to the extent applicable) and the A-HTRUST Managers have agreed to execute all documents and do or cause to be done all acts and things necessary for the implementation of the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition and the A-HTRUST Scheme, as expeditiously as possible.

8.4 Effective Date

The A-HTRUST Scheme will become effective upon the lodgement of the order of the High Court of the Republic of Singapore (“**Court**”) sanctioning the A-HTRUST Scheme (“**A-HTRUST Court Order**”) with the Monetary Authority of Singapore (“**MAS**”) or the notification to the MAS of the grant of the A-HTRUST Court Order, as the case may be, which shall be effected by the A-HTRUST Managers:

- (a) within 10 Business Days from the date that the last of the Conditions set out in **paragraph 2.5(a)(i), (ii) or (iii)** to the Letter to A-HTRUST Stapled Securityholders set out in the Scheme Document is satisfied or waived, as the case may be, in accordance with the terms of the Scheme Implementation Agreement; and
- (b) provided that the Conditions set out in **paragraph 2.5(a)(iv), (v), (vi) or (vii)** to the Letter to A-HTRUST Stapled Securityholders set out in the Scheme Document are satisfied or waived on the Relevant Date, as the case may be, in accordance with the terms of the Scheme Implementation Agreement,

(“**Effective Date**”).

8.5 Conduct of Business

Each Party has agreed not to, during the period from the Joint Announcement Date to the Effective Date, without the prior written consent of the other Parties (as relevant), take or refrain from taking any action which is reasonably within its power or control that would or is reasonably likely to result in a prescribed occurrence in relation to Ascott Reit (“**Ascott Reit Prescribed Occurrence**”) or a prescribed occurrence in relation to A-HTRUST (“**A-HTRUST Prescribed Occurrence**”), save to the extent:

- (a) required by applicable laws and subject to any fiduciary duties, statutory or legal obligations;
- (b) required to give effect to and comply with the Scheme Implementation Agreement;
- (c) such action is in connection with the redevelopment of any asset in the portfolio of the Ascott Reit Group or the A-HTRUST Group, where such action is taken or refrained from being taken in accordance with all applicable laws, including the Property Funds Appendix; or
- (d) in relation to certain matters agreed between the Parties.

The Ascott Reit Prescribed Occurrences and A-HTRUST Prescribed Occurrences are described in **paragraph 2.10** to the Letter to A-HTRUST Stapled Securityholders set out in the Scheme Document.

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8.6 Ascott Reit Permitted Distributions and A-HTRUST Permitted Distributions

General

The Ascott Reit Manager and the A-HTRUST Managers are permitted to declare, make or pay distributions to the Ascott Reit Unitholders and the A-HTRUST Stapled Unitholders (as the case may be) only if such distributions to be declared, made or paid by the Ascott Reit Manager or any A-HTRUST Manager (respectively, “**Ascott Reit Permitted Distributions**” and “**A-HTRUST Permitted Distributions**”):

- (a) have been declared, or which the Ascott Reit Manager or any A-HTRUST Manager (as the case may be) is under a contractual obligation to make or pay but has not made or paid (in each case, where such declaration or obligation has been disclosed to the Parties), prior to the Joint Announcement Date; or
- (b) are declared, paid or made or are to be declared, paid or made in the ordinary course of business and to the extent consistent with past practice by the Ascott Reit Manager to the Ascott Reit Unitholders or by any A-HTRUST Manager to the A-HTRUST Stapled Unitholders, as the case may be, in respect of the period from, in the case of the Ascott Reit Manager, 1 January 2019 up to (and including) the A-HTRUST Scheme Implementation Date, and in the case of the A-HTRUST Managers, 1 April 2019 up to (and including) the A-HTRUST Scheme Implementation Date (including any clean-up distributions to the Ascott Reit Unitholders or the A-HTRUST Stapled Unitholders, as the case may be, in respect of the period from the day following the latest completed financial half year of Ascott Reit or A-HTRUST, as the case may be, preceding the Effective Date, up to (and including) the A-HTRUST Scheme Implementation Date),

provided that, for this purpose, the Ascott Reit Permitted Distributions and the A-HTRUST Permitted Distributions shall include any and all distributions declared, paid or made or to be declared, paid or made in respect of any net gains (after taking into consideration applicable taxes and transaction fees, costs and expenses) arising from any divestments by any Ascott Reit Group Entity or any A-HTRUST Group Entity, as the case may be, effected or completed on or after 1 January 2019 or 1 April 2019, respectively, up to (and including) the A-HTRUST Scheme Implementation Date.

The Ascott Reit Manager has, on 30 July 2019, announced the distribution of 3.143 cents for each Ascott Reit Unit for the period from 1 January 2019 to 30 June 2019.

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Amendment

As announced by the Ascott Reit Manager and the A-HTRUST Managers on 9 September 2019, the Parties have agreed to an amendment to the Scheme Implementation Agreement to revise the period in respect of which the Ascott Reit Permitted Distributions and the A-HTRUST Permitted Distributions, as the case may be, are permitted to be distributed (“**relevant distribution period**”). The initial relevant distribution period and the amended relevant distribution period are as follows:

	Initial relevant distribution period	Amended relevant distribution period
Ascott Reit Permitted Distributions	1 January 2019 up to the day immediately before the Effective Date	1 January 2019 up to (and including) the A-HTRUST Scheme Implementation Date
A-HTRUST Permitted Distributions	1 April 2019 up to the day immediately before the Effective Date	1 April 2019 up to (and including) the A-HTRUST Scheme Implementation Date
Note	Based on the indicative timeline presently envisaged by the Parties, the day immediately before the Effective Date is expected to be 18 December 2019	Based on the indicative timeline presently envisaged between the Parties, the A-HTRUST Scheme Implementation Date is expected to be 31 December 2019

The amendment has been effected so as to align the last date of the relevant distribution period with the A-HTRUST Scheme Implementation Date.

This is because the A-HTRUST Scheme Implementation Date, being the date of completion and settlement of the Combination, is the date on which:

- the transfer of the A-HTRUST REIT Units and the A-HTRUST BT Units to the Ascott Reit Trustee and the Ascott BT Trustee-Manager, respectively, takes place; and
- the issuance of the Consideration Units to the A-HTRUST Stapled Unitholders takes place.

Accordingly, up to (and including) the A-HTRUST Scheme Implementation Date, the Ascott Reit Unitholders and the A-HTRUST Stapled Unitholders, as unitholders of Ascott Reit and A-HTRUST, respectively, should each be entitled to the Ascott Reit Permitted Distributions and the A-HTRUST Permitted Distributions, respectively. The amendments reflect this position by allowing the Ascott Reit Unitholders and the A-HTRUST Stapled Unitholders to be entitled to the Ascott Reit Permitted Distributions and the A-HTRUST Permitted Distributions, respectively, up to (and including) the A-HTRUST Scheme Implementation Date.

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8.7 Break Fee and Reverse Break Fee

The Parties have agreed to certain matters in relation to the payment of S\$12,350,000, being an amount equal to 1% of the aggregate A-HTRUST Scheme Consideration (rounded down to the nearest S\$10,000), by:

- (a) the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager to the Ascott Reit Trustee (“**Break Fee**”); and
- (b) the Ascott Reit Trustee to the A-HTRUST REIT Trustee and the A-HTRUST BT Trustee-Manager (“**Reverse Break Fee**”).

The Break Fee and the Reverse Break Fee are further described in **paragraph 2.8** to the Letter to A-HTRUST Stapled Securityholders set out in the Scheme Document.

8.8 Exclusivity

The A-HTRUST REIT Trustee and the A-HTRUST Managers have agreed to grant the Ascott Reit Trustee and the Ascott Reit Manager exclusivity for a period commencing on the Joint Announcement Date and ending on the earliest of the date on which the Scheme Implementation Agreement is terminated, the A-HTRUST Scheme Implementation Date and the Long-Stop Date, during which the A-HTRUST REIT Trustee and the A-HTRUST Managers shall not:

- (a) solicit, invite, encourage or initiate any enquiries, negotiations or discussions, or communicate any intention to do the foregoing, with a view to obtaining, or to the extent reasonably likely to result in or lead to, any A-HTRUST Competing Offer; or
- (b) negotiate or enter into, or participate in negotiations or discussions with any person (other than the Ascott Reit Trustee or the Ascott Reit Manager) in relation to, any A-HTRUST Competing Offer or any agreement, understanding or arrangement which would or is reasonably likely to result in or lead to any A-HTRUST Competing Offer.

In addition, the A-HTRUST REIT Trustee and the A-HTRUST Managers have agreed to provide the Ascott Reit Trustee and the Ascott Reit Manager with the right to provide, within an agreed period, a matching or superior proposal to the terms of the A-HTRUST Competing Offer, taken as a whole.

The agreement of the Parties with respect to the Break Fee, the Reverse Break Fee and matters in relation thereto are subject to, and without prejudice to, the fiduciary or statutory duties of the relevant directors and compliance with applicable laws.

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8.9 Termination

Notwithstanding any other provision in the Scheme Implementation Agreement, the Scheme Implementation Agreement may be terminated at any time prior to the Effective Date:

- (a) by either the Ascott Reit Trustee or the Ascott Reit Manager, on the one hand, or the A-HTRUST REIT Trustee or any A-HTRUST Manager, on the other hand, on the date on which an A-HTRUST Termination Event occurs;
- (b) by either the Ascott Reit Trustee or the Ascott Reit Manager, on the one hand, or the A-HTRUST REIT Trustee or any A-HTRUST Manager, on the other hand, on the date on which an Ascott Termination Event occurs; or
- (c) pursuant to such terms of the Scheme Implementation Agreement as set out in **paragraph 8.2(b) or (c)** above,

provided that the Party seeking to terminate the Scheme Implementation Agreement, including in the event of non-satisfaction of any Condition, shall only terminate the Scheme Implementation Agreement with the prior consultation of the Securities Industry Council (“SIC”) and subject to the SIC giving its approval for, and stating that it has no objections to, such termination.

Upon the termination of the Scheme Implementation Agreement, no Party shall have a claim against any other Party except for claims arising from any breaches on or prior to such termination, in relation to certain surviving provisions after such termination or in relation to the Break Fee or the Reverse Break Fee, as the case may be, and in each case without prejudice to the rights of the Parties to seek specific performance or other equitable remedies.

9. EFFECT OF A-HTRUST SCHEME

If the A-HTRUST Scheme becomes effective, it will be binding on all A-HTRUST Stapled Unitholders from time to time, including those who do not attend the A-HTRUST Scheme Meeting, those who do not vote at the A-HTRUST Scheme Meeting and those who voted against the A-HTRUST Trust Deeds Amendment Resolutions at the A-HTRUST Scheme Meeting.

10. DELISTING

Upon the A-HTRUST Scheme becoming effective in accordance with its terms, A-HTRUST REIT will be wholly-owned by Ascott Reit and A-HTRUST BT will be wholly-owned by Ascott BT. A-HTRUST will, subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

In this regard, an application will be made by the A-HTRUST Managers on behalf of A-HTRUST to seek approval from the SGX-ST to delist and remove A-HTRUST from the Official List of the SGX-ST upon the A-HTRUST Scheme becoming effective and binding in accordance with its terms.

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11. ASCOTT REIT MANAGER WAIVER OF ACQUISITION FEE

To demonstrate its support for the Combination, the Ascott Reit Manager has voluntarily waived 50% of its acquisition fee entitlement under the Ascott Reit Trust Deed. Further details with respect to the fees payable to the Ascott Reit Manager have been set out in the Ascott Reit Composite Document.

12. IRREVOCABLE UNDERTAKINGS AND ASCOTT REIT DIRECTORS’ INTENTION TO VOTE

12.1 Irrevocable Undertakings

TAL, SCPL and the Ascott Reit Manager have, on 8 August 2019, and ALI has, on 12 September 2019, given irrevocable undertakings to vote, or procure the voting of, the following number of Ascott Reit Units and A-HTRUST Stapled Units in which each such entity is a beneficial owner thereof or in respect of which such entities may otherwise become entitled to exercise all rights attaching thereto (including voting rights) in favour of the Ascott Reit Trust Deed Amendment Resolutions or the A-HTRUST Trust Deed Amendment Resolutions, as the case may be:

CapitaLand Entity	Number of Ascott Reit Units or A-HTRUST Stapled Units (million)	% of Total Ascott Reit Units or A-HTRUST Stapled Units ¹²
Ascott Reit Units		
TAL	476.2	21.9
SCPL	314.1	14.4
Ascott Reit Manager	189.6	8.7
A-HTRUST Stapled Units		
ALI	319.8	28.1

In addition, each of AHDF Pte Ltd (“**AHDF**”) and Tang Yigang (a.k.a. Gordon Tang) (“**GT**”) had, on 11 July 2019, executed irrevocable deeds of undertaking (together with the deeds of irrevocable undertaking given by the CapitaLand Entities, the “**Deeds of Irrevocable Undertaking**”) to vote the following number of A-HTRUST Stapled Units in favour of the A-HTRUST Trust Deed Amendment Resolutions and the A-HTRUST Scheme Resolutions:

Entity or Individual	Number of A-HTRUST Stapled Units (million)	% of Total A-HTRUST Stapled Units ¹²
AHDF ¹³	46.2	4.1
GT ¹⁴	72.0	6.3

¹² Calculated based on a total of approximately 2,176.8 million Ascott Reit Units or 1,137.7 million A-HTRUST Stapled Units, as the case may be, in each case, as at the Latest Practicable Date.

¹³ As at the Latest Practicable Date, AHDF holds 46.2 million A-HTRUST Stapled Units, representing 4.1% of the total A-HTRUST Stapled Units.

¹⁴ As at the Latest Practicable Date, GT holds 77.2 million A-HTRUST Stapled Units, representing 6.8% of the total A-HTRUST Stapled Units.

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Each of the Deeds of Irrevocable Undertaking will terminate and be of no further force and effect on the earliest of the following events:

- (a) if the Ascott Reit Scheme or the A-HTRUST Scheme (as the case may be) becomes effective in accordance with its terms, the Effective Date;
- (b) if the Scheme Implementation Agreement lapses or is terminated for any reason without the Ascott Reit Scheme or the A-HTRUST Scheme (as the case may be) becoming effective, the date on which the Scheme Implementation Agreement lapses or is terminated; and
- (c) 5.00 p.m. on 31 December 2019.

12.2 Ascott Reit Directors’ Intention to Vote

All the Ascott Reit Directors (each of whom has a direct interest in Ascott Reit Units, as set out in **Schedule G, Part 3**) have informed the Ascott Reit Manager that they will vote in favour of all the resolutions proposed at the extraordinary general meeting of Ascott Reit Unitholders in relation to the Combination and the scheme meeting of Ascott Reit Unitholders in relation to the Ascott Reit Scheme, save that, for purposes of good corporate governance, the Ascott Reit Directors who are not independent directors for the purposes of the Combination, being Ms. Beh Siew Kim, Mr. Lee Chee Koon and Mr. Lim Cho Pin Andrew Geoffrey, will abstain from voting on the resolutions with respect to the Ascott Reit Acquisition and the issuance of the Consideration Units.

Further details with respect to the Ascott Reit Directors’ Intention to Vote is set out in the Ascott Reit Composite Document.

13. OVERSEAS UNITHOLDERS

13.1 Overseas Unitholders

The applicability of the Combination and the A-HTRUST Scheme to A-HTRUST Stapled Unitholders whose addresses are outside Singapore, as shown on the Register of Unitholders of A-HTRUST, or as the case may be, in the records of The Central Depository (Pte) Limited (“**Overseas Unitholder**”), may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Unitholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Overseas Unitholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.

13.2 Copies of Scheme Document

Where there are potential restrictions on sending the Scheme Document to any overseas jurisdiction, the Ascott Reit Manager and the A-HTRUST Managers reserve the right not to send such documents to the A-HTRUST Stapled Unitholders in such overseas jurisdiction.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

A-HTRUST Stapled Unitholders (including Overseas Unitholders) may obtain copies of the Scheme Document and any related documents during normal business hours and up to the date of the A-HTRUST EGM and the A-HTRUST Scheme Meeting from Boardroom Corporate & Advisory Services Pte. Ltd. (“**A-HTRUST Stapled Unit Registrar**”) at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Unitholder may write in to the A-HTRUST Stapled Unit Registrar at the same address to request for the Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three Market Days prior to the date of the A-HTRUST EGM and the A-HTRUST Scheme Meeting.

It is the responsibility of any Overseas Unitholder who wishes to request for the Scheme Document and any related documents to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for the Scheme Document and any related documents or participating in the Combination and the A-HTRUST Scheme, the Overseas Unitholder represents and warrants to the Ascott Reit Manager and the A-HTRUST Managers that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.

For the avoidance of doubt, the Combination and the A-HTRUST Scheme are being proposed to all the A-HTRUST Stapled Unitholders (including the Overseas Unitholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Combination and the A-HTRUST Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Combination and the A-HTRUST Scheme would not be in compliance with the laws of such jurisdiction.

13.3 Notice

The Ascott Reit Manager and the A-HTRUST Managers each reserves the right to notify any matter, including the fact that the Combination and the A-HTRUST Scheme has been proposed, to any or all A-HTRUST Stapled Unitholders (including Overseas Unitholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any A-HTRUST Stapled Unitholder (including any Overseas Unitholder) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as A-HTRUST remains listed on the SGX-ST, the A-HTRUST Managers will continue to notify all A-HTRUST Stapled Unitholders (including Overseas Unitholders) of any matter relating to the Combination and the A-HTRUST Scheme by announcement via SGXNET.

Notwithstanding that such Overseas Unitholder may not receive the notice of the A-HTRUST EGM or the A-HTRUST Scheme Meeting, they shall be bound by the A-HTRUST Scheme if the A-HTRUST Scheme becomes effective.

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13.4 Foreign Jurisdiction

It is the responsibility of each Overseas Unitholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the A-HTRUST Scheme, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. Each Overseas Unitholder represents and warrants to Ascott Reit, A-HTRUST, the Ascott Reit Manager and the A-HTRUST Managers that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Overseas Unitholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

14. TAX

A-HTRUST Stapled Unitholders should consult their own tax advisors on the possible tax implications (if any) of the Combination and the A-HTRUST Scheme or any other transactions contemplated by this Letter. Depending on the individual circumstances of each A-HTRUST Stapled Unitholder, including his, her or its tax residence and the size of his, her or its holdings in A-HTRUST, he, she or it may realise or be deemed under applicable tax laws, regulations and rules to realise a gain or loss arising from the Combination or the A-HTRUST Scheme or any other transactions contemplated by this Letter which is taxable or, as the case may be, not permitted to be deductible in any applicable jurisdiction. Without limitation to the foregoing:

- (a) an A-HTRUST Stapled Unitholder who realises a gain from the disposal of his, her or its A-HTRUST Stapled Units pursuant to the Combination may be subject to tax in Japan if he, she or it (together with his, her or its associates, if applicable) holds more than 5% of all the outstanding A-HTRUST Stapled Units at the relevant time, subject to relief under the Singapore – Japan tax treaty (if applicable for A-HTRUST Stapled Unitholders who are a resident of Singapore for tax purposes); and
- (b) an A-HTRUST Stapled Unitholder who realises a gain from the disposal of his, her or its A-HTRUST Stapled Units pursuant to the Combination may be subject to tax in Australia if he, she or it (together with his, her or its associates, if applicable) holds or has held 10% or more of all the outstanding A-HTRUST Stapled Units at or during the relevant time.

15. SETTLEMENT AND REGISTRATION

Paragraph 13 to the Letter to A-HTRUST Stapled Securityholders set out in the Scheme Document sets out details of the procedures for the implementation of the A-HTRUST Scheme and settlement and registration procedures.

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16. DISCLOSURE OF INTERESTS

16.1 Holdings and Dealings in A-HTRUST Securities

As at the Latest Practicable Date, based on the latest information available to the Ascott Reit Manager and save as disclosed in **Schedule G, Parts 1 and 2** to this Letter, none of (i) the Ascott Reit Manager, (ii) the Ascott Reit Trustee and (iii) members acting in concert with the Ascott Reit Manager and the Ascott Reit Trustee in relation to the Combination (collectively, the “**Ascott Reit Concert Party Group**”):

- (a) owns, controls or has agreed (other than pursuant to the Scheme Implementation Agreement) to acquire any A-HTRUST Stapled Units, securities which carry voting rights in A-HTRUST or convertible securities, warrants, options or derivatives in respect of the A-HTRUST Stapled Units or securities which carry voting rights in A-HTRUST (collectively, “**A-HTRUST Securities**”); or
- (b) has dealt for value in any A-HTRUST Securities in the period commencing on 3 April 2019, being the date falling three months prior to the Joint Announcement Date and ending on the Latest Practicable Date (“**Relevant Period**”), save, in the case of ALI, for the issuance of A-HTRUST Securities to it (as nominee of the A-HTRUST Managers in connection with the payment of management fees) as publicly disclosed.

16.2 Holdings and Dealings in Ascott Reit Securities

As at the Latest Practicable Date, based on the latest information available to the Ascott Reit Manager and save as disclosed in **Schedule G, Parts 3 and 4** to this Letter, no member of Ascott Reit Concert Party Group:

- (a) owns, controls or has agreed to acquire any Ascott Reit Units, securities which carry voting rights in Ascott Reit or convertible securities, warrants, options or derivatives in respect of the Ascott Reit Units or securities which carry voting rights in Ascott Reit (“**Ascott Reit Securities**”); or
- (b) has dealt for value in any Ascott Reit Securities in the Relevant Period, save for:
 - (i) the issuance of Ascott Reit Securities to the Ascott Reit Manager pursuant to the payment of fees; and
 - (ii) the issuance or transfer of Ascott Reit Securities to the Ascott Reit Directors pursuant to the payment of directors’ fees.

16.3 Other Arrangements

As at the Latest Practicable Date, based on the latest information available to the Ascott Reit Manager and save as disclosed in **Schedule H** to this Letter:

- (a) no person has given any irrevocable undertaking to any member of the Ascott Reit Concert Party Group to vote in favour of or against the A-HTRUST Scheme at the A-HTRUST Scheme Meeting; and

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

- (b) no member of the Ascott Reit Concert Party Group has (i) granted a security interest over any A-HTRUST Securities to another person, whether through a charge, pledge or otherwise; (ii) borrowed from another person any A-HTRUST Securities (excluding borrowed securities which have been on-lent or on-sold) or (iii) lent to another person any A-HTRUST Securities.

Upon the A-HTRUST Scheme becoming effective in accordance with its terms, Ascott Reit will hold and control all the voting rights in A-HTRUST REIT, and Ascott BT will hold and control all the voting rights in A-HTRUST BT.

17. RESPONSIBILITY STATEMENTS

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

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from A-HTRUST and/or the A-HTRUST REIT Manager and/or the A-HTRUST BT Trustee-Manager, the sole responsibility of the directors of the Ascott Reit Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Letter. The directors of the Ascott Reit Manager do not accept any responsibility for any information relating to A-HTRUST and/or the A-HTRUST REIT Manager and/or the A-HTRUST BT Trustee-Manager or any opinion expressed by A-HTRUST and/or the A-HTRUST REIT Manager and/or the A-HTRUST BT Trustee-Manager.

Yours faithfully
For and on behalf of
Ascott Residence Trust Management Limited
(as manager of Ascott Residence Trust)

Ms. Beh Siew Kim
Chief Executive Officer and Executive Non-Independent Director
26 September 2019

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

SCHEDULE A ADDITIONAL INFORMATION ON ASCOTT REIT, ASCOTT BT, COMBINED ENTITY AND ASCOTT REIT-BT MANAGERS

Part 1 – Ascott Reit

1. DIRECTORS

As at the Latest Practicable Date, the names, addresses and designations of the directors of the Ascott Reit Manager are as follows:

Name	Address	Designation
Mr. Tan Beng Hai, Bob	c/o 168 Robinson Road, #30-01 Capital Tower, Singapore 068912	Chairman and Non-Executive Independent Director
Ms. Beh Siew Kim		Chief Executive Officer and Executive Non-Independent Director
Mr. Zulkifli Bin Baharudin		Non-Executive Independent Director
Mr. Sim Juat Quee Michael Gabriel		Non-Executive Independent Director
Ms. Elaine Carole Young		Non-Executive Independent Director
Mr. Lee Chee Koon		Non-Executive Non-Independent Director
Mr. Lim Cho Pin Andrew Geoffrey		Non-Executive Non-Independent Director

As at the Latest Practicable Date, the board of directors of the Ascott BT Trustee-Manager comprises Ms. Beh Siew Kim. As noted in **paragraph 2.2**, on or prior to the registration of Ascott BT as a registered business trust under the BTA, certain persons will be appointed on the board of directors of the Ascott BT Trustee-Manager, such that boards of the Ascott Reit-BT Managers comprise the same persons.

2. CAPITAL STRUCTURE

2.1 Equity Capital

As at the Latest Practicable Date, there is one class of units held by the Ascott Reit Unitholders, being the Ascott Reit Units. As at the Latest Practicable Date:

- (a) there are 2,176.8 million Ascott Reit Units in issue. For the avoidance of doubt, the total number of Ascott Reit Units may change after the Latest Practicable Date if new Ascott Reit Units are issued to the Ascott Reit Manager as part payment of the management fees due to the Ascott Reit Manager every quarter; and
- (b) 12.2 million Ascott Reit Units have been issued since 31 December 2018, being the end of the last financial year of Ascott Reit.

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As at the Latest Practicable Date, there is only one class of units, being the Ascott BT Units, which are held by the holders of such units (“**Ascott BT Unitholders**”). As at the Latest Practicable Date, there is one Ascott BT Unit in issue. As noted in **paragraph 8.1**, as at the Ascott Reit Scheme Entitlement Date, the number of Ascott BT Units will be equivalent to the number of issued and outstanding Ascott Reit Units.

All the Ascott Reit-BT Stapled Units in issue immediately following the A-HTRUST Scheme (including the Consideration Units) will (i) have identical rights in all respects and will rank *pari passu* with one another, and (ii) be fully-paid up or credited as paid-up.

2.2 Ascott Reit Trust Deed

The Ascott Reit Trust Deed does not contain any restrictions on the right to transfer the Ascott Reit Units in connection with the Combination or the A-HTRUST Scheme. The rights and privileges attaching to the Ascott Reit Units are set out in the Ascott Reit Trust Deed.

The rights and privileges attaching to the Ascott BT Units are set out in the Ascott BT Trust Deed.

A summary of the Ascott Reit Trust Deed and the Ascott BT Trust Deed, and certain key provisions with respect to the stapled Ascott Reit Units and Ascott BT Units, relating to the rights of the Ascott Reit Unitholders, the Ascott BT Unitholders and Ascott Reit-BT Stapled Unitholders in respect of capital, dividends and voting are set out in **Schedule B** to this Letter.

As noted in **paragraph 5.4 of Schedule H**, the Ascott Reit Trust Deed, the Ascott BT Trust Deed and the Ascott Reit-BT Stapling Deed are available for inspection at the registered office of the Ascott Reit Manager at the details set out therein.

2.3 Changes to Capital of Ascott Reit

From 1 January 2016 to (and including) the Latest Practicable Date, the material changes to the issued capital of Ascott Reit are as follows:

- (a) on 23 March 2016, the Ascott Reit Manager issued 94.8 million new Ascott Reit Units at an issue price of S\$1.055 for each new Ascott Reit Unit pursuant to a private placement announced on 14 March 2016;
- (b) on 11 April 2017, the Ascott Reit Manager issued 481.7 million new Ascott Reit Units at an issue price of S\$0.919 for each new Ascott Reit Unit pursuant to a rights issue announced on 6 March 2017; and
- (c) in addition, from 1 January 2016 to (and including) the Latest Practicable Date, an aggregate of 51.6 million new Ascott Reit Units have been issued to the Ascott Reit Manager as payment of management and acquisition fees.

Save as disclosed above and in any other information which is publicly available (including, without limitation, the announcements released by the Ascott Reit Manager, on behalf of Ascott Reit, on SGXNET), Ascott Reit has not undergone any re-organisation of capital from 1 January 2016 to (and including) the Latest Practicable Date.

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2.4 Convertible Instruments

As at the Latest Practicable Date, save pursuant to the Performance Unit Plan and Restricted Unit Plan established by the Ascott Reit Manager, there are no outstanding instruments convertible into, rights to subscribe for, or options in respect of Ascott Reit Units which carry voting rights affecting the Ascott Reit Units.

As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, or options in respect of Ascott BT Units which carry voting rights affecting the Ascott BT Units.

3. INDEBTEDNESS

3.1 As at 30 June 2019 (being the date of the last published financial statements of the Ascott Reit Group), the Ascott Reit Group has aggregate borrowings of approximately S\$1,679.2 million, comprising the following:

- (a) S\$768.4 million secured bank borrowings;
- (b) S\$127.1 million unsecured bank borrowings;
- (c) S\$661.1 million outstanding principal amount of notes issued by Ascott REIT MTN Pte. Ltd. pursuant to the S\$1,000,000,000 Multicurrency Medium Term Note Programme established on 9 September 2009; and
- (d) S\$122.6 million outstanding principal amount of notes issued by Ascott REIT MTN (Euro) Pte. Ltd. Pursuant to the US\$2,000,000,000 Euro-Medium Term Note Programme established on 30 November 2011.

As at 30 June 2019 (being the date of the last published financial statements of the Ascott Reit Group), the gearing ratio of the Ascott Reit Group is 32.8%.

In addition, as at the Latest Practicable Date, the Ascott Reit Group has S\$550.0 million of issued and outstanding perpetual securities, as follows:

- (i) on 27 October 2014, Ascott Reit issued S\$150.0 million of fixed rate perpetual securities with an initial distribution rate of 5.00% per annum, with the first distribution rate reset falling on 27 October 2019 and subsequent resets occurring every five years thereafter.

On 30 August 2019, the Ascott Reit Manager announced that it has elected to, and will, redeem all such outstanding perpetual securities on 29 October 2019 and such securities will subsequently be cancelled and de-listed from the SGX-ST;

- (ii) on 30 June 2015, Ascott Reit issued S\$250.0 million of fixed rate perpetual securities with an initial distribution rate of 4.68% per annum, with the first distribution rate reset falling on 30 June 2020 and subsequent resets occurring every five years thereafter; and
- (iii) on 4 September 2019, Ascott Reit issued S\$150.0 million of fixed rate perpetual securities with an initial distribution rate of 3.88% per annum, with the first distribution rate reset falling on 4 September 2024 and subsequent resets occurring every five years thereafter.

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For the avoidance of doubt, the perpetual securities issued by Ascott Reit do not carry any voting rights or voting rights affecting the Ascott Reit Units, and are not instruments convertible into, rights to subscribe for, or options in respect of Ascott Reit Units which carry voting rights affecting the Ascott Reit Units.

Further, for the avoidance of doubt, as Ascott BT is a newly-established business trust established for the purposes of the Combination, it does not have, nor will it at any time on or prior to completion of the Combination, have any indebtedness.

Save as disclosed above and in any other information which is publicly available (including, without limitation, the announcements released by the Ascott Reit Manager, on behalf of Ascott Reit, on SGXNET), as at 30 June 2019 (being the date of the last published financial statements of the Ascott Reit Group) and, only with respect to the perpetual securities issued by the Ascott Reit Group, as at the Latest Practicable Date, Ascott Reit does not have any outstanding bank overdrafts or loans, or other similar indebtedness, mortgages, charges, guarantees or other material contingent liabilities.

4. MATERIAL LITIGATION

As at the Latest Practicable Date, save as disclosed in any information which is publicly available (including, without limitation, the announcements released by the Ascott Reit Manager, on behalf of Ascott Reit, on SGXNET):

- (a) Ascott Reit is not engaged in any material litigation, either as plaintiff or defendant, which may materially affect the financial position of Ascott Reit; and
- (b) none of the directors of the Ascott Reit Manager are aware of any litigation, claims or proceedings pending or threatened against Ascott Reit, or of any facts likely to give rise to any litigation, claims or proceedings which might materially and adversely affect the financial position of Ascott Reit.

5. MATERIAL CONTRACTS WITH INTERESTED PERSONS

There are no material contracts entered into between Ascott Reit and an interested person (within the meaning of Note 1 on Rule 23.12 of the Code) from 1 January 2016 to (and including) the Latest Practicable Date:

- (a) not being a contract entered into in the ordinary course of business carried on or intended to be carried on by Ascott Reit; and
- (b) save as disclosed in this Letter (including in **paragraph 12** of this Letter) and, to the extent applicable, the annual reports of Ascott Reit for the financial year ended 31 December 2016 (“**FY2016**”), the financial year ended 31 December 2017 (“**FY2017**”) and for FY2018, the Ascott Reit 1H 2019 Financial Results or any other information which is publicly available (including, without limitation, the announcements released by the Ascott Reit Manager, on behalf of Ascott Reit, on SGXNET).

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6. FINANCIAL INFORMATION

6.1 Financial Information of Ascott Reit

Set out below is certain financial information extracted from the annual reports of Ascott Reit for FY2016, FY2017 and FY2018 and the Ascott Reit 1H 2019 Financial Results. Such financial information should be read in conjunction with the relevant financial statements and the accompanying notes as set out therein.

	FY2016	FY2017	FY2018	1H2019
Revenue (S\$ million)	475.6	496.3	514.3	248.4
Exceptional items	–	–	–	–
Profit or loss for the year before tax (S\$ million)	179.5	274.4	195.4	229.8
Net profit or loss for the year after tax (S\$ million)	147.8	222.5	151.8	212.9
Earnings per Ascott Reit Unit – basic (Singapore cents)	7.40	9.46	5.95	9.35
Distribution per Ascott Reit Unit (Singapore cents)	8.27	7.09	7.16	3.43
Non-controlling interests (S\$ million)	4.5	8.3	4.2	0.4
Perpetual securities (S\$ million)	397.1	397.1	397.1	397.1

The audited statement of financial position of the Ascott Reit Group as at 31 December 2018 and the unaudited statement of financial position of the Ascott Reit Group as at 30 June 2019 are contained in the Ascott Reit 1H 2019 Financial Results.

For ease of reference, certain key financial information with respect to the Ascott Reit Group as at and for the six-month period ended 30 June 2019 is set out as follows:

Ascott Reit Group	Information (S\$ million)
NAV ¹⁵	2,756.6
NTA	
Total assets	5,494.5
Aggregate valuation of portfolio ¹⁶	4,873.8

¹⁵ This takes into account the valuations carried out by HVS as at 30 June 2019, which had been announced by Ascott Reit on 30 July 2019.

¹⁶ The valuations were carried out by HVS based on a discounted cash flow approach, which is in line with market practice.

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Copies of the annual reports of Ascott Reit for FY2016, FY2017 and FY2018 and the Ascott Reit 1H 2019 Financial Results are available for inspection at the registered office of the Ascott Reit Manager at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912¹⁷ during normal business hours from the date of this Letter up to the Effective Date and on the website of the SGX-ST at www.sgx.com.

6.2 Material Changes in Financial Position

Save in relation to and in connection with the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition and the A-HTRUST Scheme (including financing the Combination, the Ascott Reit Scheme, the Ascott Reit Acquisition and the A-HTRUST Scheme and the costs and expenses incurred or to be incurred in connection with the foregoing) and as disclosed in this Letter and any other information which is publicly available (including, without limitation, the announcements released by the Ascott Reit Manager, on behalf of Ascott Reit, on SGXNET), there have been no known material changes in the financial position of Ascott Reit since 31 December 2018, being the date of the last published audited consolidated financial statements of Ascott Reit.

6.3 Significant Accounting Policies

The Ascott Reit FY2018 Financial Statements have been prepared in accordance with the Statement of Recommended Accounting Practice “Reporting Framework for Unit Trusts” (“**RAP 7**”) issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Schemes issued by the MAS and the provisions of the Ascott Reit Trust Deed. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of Singapore Financial Reporting Standards.

The significant accounting policies for Ascott Reit are set out in the extract of the notes to the Ascott Reit FY2018 Financial Statements and such policies are set out in **Schedule C** to this Letter.

6.4 Changes in Accounting Policies

There has been no change in the accounting policies of Ascott Reit which will cause the figures set out in **paragraph 6.1** of this **Schedule A, Part 1** not to be comparable to a material extent, save with respect to such changes to adopt FRS 116 *Leases* which was effective from 1 January 2019, the impact of which is described in Note 5 to the Ascott Reit 1H2019 Financial Results.

¹⁷ Prior appointment with the Ascott Reit Manager is required. Please contact the Ascott Reit Investor Relations Team (Tel: +65 6713 2888).

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6.5 Resultant Unitholding Percentages¹⁸

The unitholding percentages of the CapitaLand Entities and the remaining Ascott Reit Unitholders and A-HTRUST Stapled Unitholders (as the case may be) as at the Latest Practicable Date in each of Ascott Reit, A-HTRUST and the Combined Entity are set out as follows:

No.	Unitholder	Ascott Reit (%) ¹⁹	A-HTRUST (%) ²⁰	Combined Entity (%) ²¹
A	TAL	21.9	–	15.4
B	SCPL	14.4	–	10.2
C	Ascott Reit Manager	8.7	–	6.4
D	ALI	–	28.1	8.2
	Total (A to D)	45.0	28.1	40.2
E	Ascott Reit Unitholders, excluding TAL, SCPL and the Ascott Reit Manager	55.0	–	38.7
F	A-HTRUST Stapled Unitholders, excluding ALI	–	71.9	21.0
	Total (E to F)	55.0	71.9	59.7
	Total (A to F)	100.0	100.0	100.0

¹⁸ The resultant unitholding percentages below are shown based on the unitholding percentages as at the Latest Practicable Date, while the resultant unitholding percentages set out in **paragraph 1.2** of this Letter are shown based on the unitholding percentages as at the Joint Announcement Date.

¹⁹ Calculated based on a total of approximately 2,176.8 million Ascott Reit Units as at the Latest Practicable Date.

²⁰ Calculated based on a total of approximately 1,137.7 million A-HTRUST Stapled Units as at the Latest Practicable Date.

²¹ Calculated based on an aggregate of approximately 3,089.1 million Ascott Reit-BT Stapled Units, based on 903.6 million Consideration Units to be issued (which, in turn, is based on a total of 1,137.7 million A-HTRUST Stapled Units as at the Latest Practicable Date). This figure does not take into consideration any fees that may be payable in units to the Ascott Reit Manager or the A-HTRUST Managers prior to the Effective Date.

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Part 2 – Ascott BT, Ascott Reit-BT Managers

1.1 The Trustee-Manager of Ascott BT

Certain key matters with respect to the Ascott BT Trustee-Manager are set out below²²:

Ascott BT-Trustee Manager	
Constitution	Company incorporated in Singapore.
Powers, duties and obligations	Set out in the Ascott BT Trust Deed and include: <ul style="list-style-type: none"> • safeguarding the rights and interests of the Ascott BT Unitholders; • holding the assets of Ascott BT on trust for the benefit of the Ascott BT Unitholders; and • exercising all the powers of a trustee-manager and the powers that are incidental to the ownership of the assets of Ascott BT.
Rights	May acquire or dispose of any real or personal property, borrow and encumber any assets.
Performance of duties	May appoint and engage: <ul style="list-style-type: none"> • a person or entity to exercise any of its powers or perform its obligations; and • any real estate agents or managers, including an Interested Person (as defined in the Ascott BT Trust Deed), in relation to the management, development, leasing, purchase or sale of any of real estate assets and real estate-related assets.
Compliance with laws and regulations	Must carry out its functions and duties and comply with all the obligations imposed on it and set out in: <ul style="list-style-type: none"> • the Ascott BT Trust Deed; and • the Listing Manual, the SFA, the BTA and all other applicable laws, regulations and guidelines.
Custody of assets	Must retain Ascott BT’s assets or cause Ascott BT’s assets to be retained in safe custody and cause Ascott BT’s accounts to be audited.
Liability	Not personally liable to an Ascott BT Unitholder in connection with the office of the trustee-manager, except in respect of its own fraud, gross negligence, wilful default, breach of trust or breach of the constitutive documents, or where the Ascott BT Trustee-Manager fails to exercise due care.
Indemnities	Indemnified out of the assets of Ascott BT for liability arising in connection with certain acts or omissions, subject to applicable laws and regulations.

²² Such matters are subject to the terms and conditions set out in the Ascott Reit Trust Deed, the Ascott BT Trust Deed and/or the Ascott Reit Stapling Deed, as the case may be.

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1.2 Resignation or Removal of the Ascott BT Trustee-Manager

The Ascott BT Trustee-Manager may resign or be removed under the following circumstances:

- (a) the Ascott BT Trustee-Manager shall only resign in accordance with the relevant laws, regulations and guidelines and its resignation shall only be upon the appointment of a new trustee-manager (such appointment to be made in accordance with the provisions of the Ascott BT Trust Deed); and
- (b) the Ascott BT Trustee-Manager may be removed in accordance with the relevant laws, regulations and guidelines.

1.3 Fees and Charges Payable

The fees and charges payable to the Ascott Reit Manager, the Ascott Reit Trustee and the Ascott BT Trustee-Manager are set out below²².

Ascott Reit	Ascott BT	Comparison ²³
Fees and charges payable to the Ascott Reit Manager and (in its capacity as manager of Ascott BT) the Ascott BT Trustee-Manager		
Calculation		
<ul style="list-style-type: none"> • The fees and charges will be calculated separately with respect to each of Ascott Reit and Ascott BT (not on a consolidated stapled basis). 		
Base Fee		
<ul style="list-style-type: none"> • 0.3% per annum of the property values (being the aggregate value of the real estate held by Ascott Reit). 	<ul style="list-style-type: none"> • 0.3% per annum of the property values (being the aggregate value of the real estate held by Ascott BT). 	√
Performance Fee		
Base performance fee: <ul style="list-style-type: none"> • 4.0% per annum of the Ascott Reit Group’s share of gross profit for each financial year. 	Base performance fee: <ul style="list-style-type: none"> • 4.0% per annum of the Ascott BT Group’s share of gross profit for each financial year. 	√

²³ For ease of reference, “√” indicates that the position with respect to Ascott Reit and Ascott BT are the same or substantially the same.

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Ascott Reit	Ascott BT	Comparison ²³
Fees and charges payable to the Ascott Reit Manager and (in its capacity as manager of Ascott BT) the Ascott BT Trustee-Manager		
<p>Outperformance fee:</p> <ul style="list-style-type: none"> in the event that the Ascott Reit Group’s share of gross profit increases by more than 6.0% annually, 1.0% of the difference between the Ascott Reit Group’s share of that financial year’s gross profit and 106% of the preceding year’s gross profit. 	<p>Outperformance fee:</p> <ul style="list-style-type: none"> in the event that the Ascott BT Group’s share of gross profit increases by more than 6.0% annually, 1.0% of the difference between the Ascott BT Group’s share of that financial year’s gross profit and 106% of the preceding year’s gross profit. 	
Acquisition Fee		
<ul style="list-style-type: none"> 1.0% of the Enterprise Value (as defined in the Ascott Reit Trust Deed) of any real estate or real estate-related asset acquired directly or indirectly by Ascott Reit, prorated if applicable to the proportion of Ascott Reit’s interest. 	<ul style="list-style-type: none"> 1.0% of the Enterprise Value (as defined in the Ascott BT Trust Deed) of any real estate or real estate-related asset acquired directly or indirectly by Ascott BT, prorated if applicable to the proportion of Ascott BT’s interest. 	✓
Divestment Fee		
<ul style="list-style-type: none"> 0.5% of the Enterprise Value (as defined in the Ascott Reit Trust Deed) of any real estate or real estate-related asset disposed directly or indirectly by Ascott Reit, prorated if applicable to the proportion of Ascott Reit’s interest. 	<ul style="list-style-type: none"> 0.5% of the Enterprise Value (as defined in the Ascott BT Trust Deed) of any real estate or real estate-related asset disposed directly or indirectly by Ascott BT, prorated if applicable to the proportion of Ascott BT’s interest. 	✓

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Ascott Reit	Ascott BT	Comparison ²³
Fees and charges payable to the Ascott Reit Trustee and (in its capacity as trustee of Ascott BT) the Ascott BT Trustee-Manager		
Trustee Fee		
<ul style="list-style-type: none"> • Not exceeding 0.1% per annum of the value of the assets for the time being held or deemed to be held upon trust, subject to a minimum of S\$10,000 per month, excluding out-of-pocket expenses and goods and services tax which is borne by Ascott Reit. • Reimbursement of expenses incurred in the performance of its duties. 	<ul style="list-style-type: none"> • Not exceeding 0.015% per annum of the value of the assets for the time being held or deemed to be held upon trust, subject to a minimum of S\$13,500 per month, excluding out-of-pocket expenses and goods and services tax which is borne by Ascott BT. • Reimbursement of expenses incurred in the performance of its duties. 	<p>The trustee fee payable to the Ascott BT Trustee-Manager, in its capacity as trustee of Ascott BT, will be based on the trustee fee presently paid or payable to the A-HTRUST BT Trustee-Manager, in its capacity as trustee of A-HTRUST BT.</p> <p>In this regard, the actual amount of trustee fee payable to the Ascott Reit Trustee is calculated on a scaled percentage, where the percentage of trustee fees decreases as the value of the assets for the time being held or deemed to be held upon trust increases. Accordingly, in practice, the actual fee payable to the Ascott Reit Trustee and the Ascott BT Trustee-Manager, expressed as a percentage of the value of the assets for the time being held or deemed to be held upon trust, will not be materially different.</p>
Fees and charges payable to the Ascott Reit Manager, the Ascott Reit Trustee and the Ascott BT Trustee-Manager		
Changes to Fee Structure		
<ul style="list-style-type: none"> • By way of Extraordinary Resolution. 	<ul style="list-style-type: none"> • By way of Extraordinary Resolution. 	✓

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Onshore fees

Under the A-HTRUST Trust Deeds, part of the fees payable to the A-HTRUST Managers are allowed to be and are in fact currently paid instead by certain subsidiaries of A-HTRUST to certain nominated entities of the A-HTRUST Managers in certain jurisdictions outside Singapore in which A-HTRUST has a presence (namely, Australia, Japan and South Korea). This arrangement is intended to enable compliance with applicable licensing requirements in those jurisdictions.

This arrangement is intended to continue upon completion of the Combination, when those subsidiaries of A-HTRUST will become subsidiaries of the Combined Entity (“**Proposed Onshore Fees Arrangement**”). To this end and to enable the Proposed Onshore Fees Arrangement to continue upon the completion of the Combination, the Ascott Reit Trust Deed will be amended to allow part of the fees payable to the Ascott Reit Manager (“**Management Fees**”) to be paid to nominated entities of the Ascott Reit Manager in those jurisdictions as the Ascott Reit Trust Deed does not expressly provide for such an arrangement (the Ascott BT Trust Deed will have such provisions from the outset).

It should be noted that the Management Fees form part of, and are not in addition to, the fees payable to the Ascott Reit Manager in accordance with the Ascott Reit Trust Deed (or the Ascott BT Trustee-Manager in accordance with the Ascott BT Trust Deed) and the Proposed Onshore Fees Arrangement will not result in an increase in the total fees payable to the Ascott Reit Manager (or the Ascott BT Trustee-Manager).

The text of the amendments is set out in the Ascott Reit Composite Document.

Accrued fees

Under the A-HTRUST Trust Deeds, there may be certain base fees and performance fees payable to the A-HTRUST Managers in respect of the following periods which would have been accrued, but would be unpaid, on the date prior to the A-HTRUST Scheme Implementation Date. Such fees would instead be payable on or after the A-HTRUST Scheme Implementation Date.

Type of Fees	Relevant Period	Indicative Dates ²⁴
Base fee	The period commencing on (and including) the first date of the relevant calendar quarter in respect of which the base fee has been accrued but has yet to be paid and ending on the date prior to the A-HTRUST Scheme Implementation Date	1 October 2019 to 30 December 2019

²⁴ Based on the indicative timeline set out above, which, as noted, is indicative only and is subject to change at the Ascott Reit Manager’s absolute discretion as well as pursuant to applicable regulatory requirements.

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Type of Fees	Relevant Period	Indicative Dates ²⁴
Performance fee	The period commencing on (and including) the first date of the relevant financial year or period in respect of which the performance fee has been accrued but has yet to be paid and ending on the date prior to the A-HTRUST Scheme Implementation Date	1 April 2019 to 30 December 2019 (for A-HTRUST REIT) and 1 October 2019 to 30 December 2019 (for A-HTRUST BT)

As such, the A-HTRUST Managers may direct that such fees be paid instead to the Ascott Reit-BT Managers after the A-HTRUST Scheme Implementation Date. If so, the Ascott Reit Manager and the Ascott BT Trustee-Manager (in its personal capacity) will elect to receive such fees in cash, Ascott Reit-BT Stapled Units or a combination of cash and Ascott Reit-BT Stapled Units.

In accordance with such directions and elections, the Ascott Reit Trustee and the Ascott BT Trustee-Manager (in its capacity as trustee-manager of Ascott BT) will pay such amount of fees to such recipient in a manner such that:

- (a) there is no double-counting of the relevant fees for the relevant period in respect of the Combined Entity; and
- (b) the amount payable to the Ascott Reit-BT Managers shall not exceed the amount which would otherwise have been payable to the A-HTRUST Managers.

To this end, the Ascott Reit Trust Deed will be amended to reflect the foregoing arrangements with respect to accrued fees (the Ascott BT Trust Deed will have such provisions from the outset). The text of the amendments is set out in the Ascott Reit Composite Document.

Ascott Reit Trustee

For the reasons set out above, the Ascott Reit Trustee has certified in writing pursuant to the Ascott Reit Trust Deed that the foregoing amendments with respect to onshore fees and accrued fees to the Ascott Reit Trust Deed do not materially prejudice the interests of the Ascott Reit Unitholders or (as the case may be) the Depositors (as defined in the Ascott Reit Trust Deed) and do not operate to release to any material extent the Ascott Reit Trustee or the Ascott Reit Manager from any responsibility to the Ascott Reit Unitholders or (as the case may be) the Depositors.

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SCHEDULE B SUMMARY OF ASCOTT REIT TRUST DEED, ASCOTT BT TRUST DEED AND ASCOTT REIT-BT STAPLING DEED

1.1 Rights, Interests and Liabilities of Ascott BT Unitholders

The rights and interests of holders of the Ascott BT Unitholders will be contained in the Ascott BT Trust Deed.

Certain key matters with respect to the rights and interests of unitholders, as holders of an Ascott Reit Unit and an Ascott BT Unit, together with a comparison thereof, are set out below²².

Ascott Reit	Ascott BT	Comparison ²³
Constitutive Documents		
Ascott Reit Trust Deed, which is binding on each Ascott Reit Unitholder.	Ascott BT Trust Deed, which is binding on each Ascott BT Unitholders.	✓
Trustee and Manager		
Ascott Reit Trustee as trustee and Ascott Reit Manager as manager.	Ascott BT Trustee-Manager as trustee-manager.	N/A
Nature of Unit		
Each Ascott Reit Unit represents an undivided interest in Ascott Reit.	Each Ascott BT Unit represents an undivided interest in Ascott BT.	✓
Each Ascott Reit Unitholder: <ul style="list-style-type: none"> • has no equitable or proprietary interest in the underlying assets of Ascott Reit; and • is not entitled to the transfer to it of any assets of Ascott Reit. 	Each Ascott BT Unitholder: <ul style="list-style-type: none"> • has no equitable or proprietary interest in the underlying assets of Ascott BT; and • is not entitled to the transfer to it of any assets of Ascott BT. 	✓
Voting Rights		
Every Ascott Reit Unit carries the same voting rights.	Every Ascott BT Unit carries the same voting rights.	✓

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Ascott Reit	Ascott BT	Comparison ²³
Distributions		
Each Ascott Reit Unitholder has the right to receive income and other distributions attributable to the Ascott Reit Units held.	Each Ascott BT Unitholder has the right to receive income and other distributions attributable to the Ascott BT Units held.	✓
Return of Capital		
The Ascott Reit Manager may, with the consent of the Ascott Reit Trustee, cause the distribution of an amount which represents part of the capital of Ascott Reit.	The Ascott BT Trustee-Manager may cause the distribution of an amount which represents part of the capital of Ascott BT.	✓
Issue of Units		
The Ascott Reit Manager has the exclusive right to issue Ascott Reit Units and to determine the offer, manner of sale and price of, amongst other things, rights issues.	The Ascott BT Trustee-Manager has the exclusive right to issue Ascott BT Units and to determine the offer, manner of sale and price of, amongst other things, rights issues.	✓
Unit Buy-back		
The Ascott Reit Manager is entitled to repurchase or otherwise acquire Ascott Reit Units under a unit buy-back mandate obtained from Ascott Reit Unitholders.	The Ascott BT Trustee-Manager is entitled to repurchase or otherwise acquire Ascott BT Units under a unit buy-back mandate obtained from Ascott BT Unitholders.	✓
Right to Conversion of Units		
Ascott Reit has not issued any convertible securities which are convertible into Ascott Reit Units.	Nil.	N/A

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Ascott Reit	Ascott BT	Comparison ²³
Information Rights		
Each Ascott Reit Unitholder has the right to receive audited accounts and annual reports of Ascott Reit.	Each Ascott BT Unitholder has the right to receive audited accounts and annual reports of Ascott BT.	✓
Limitation on holders’ rights		
Ascott Reit Unitholders cannot give any directions to the Ascott Reit Trustee or the Ascott Reit Manager which may result in Ascott Reit ceasing to comply with applicable laws and regulations, including the Listing Manual or the Property Funds Appendix.	Ascott BT Unitholders cannot give any directions to the Ascott BT Trustee-Manager which may result in Ascott BT ceasing to comply with applicable laws and regulations.	✓
Limitation of Liability		
If the issue price of the Ascott Reit Units held by an Ascott Reit Unitholder has been fully paid, no such Ascott Reit Unitholder, by reason alone of being a Ascott Reit Unitholder, will be personally liable to indemnify the Ascott Reit Trustee or any creditor of Ascott Reit in the event that the liabilities of Ascott Reit exceed its assets.	If the issue price of the Ascott BT Units held by an Ascott BT Unitholder has been fully paid, no such Ascott BT Unitholder, by reason alone of being a Ascott BT Unitholder, will be personally liable to indemnify the Ascott BT Trustee-Manager or any creditor of Ascott BT in the event that the liabilities of Ascott BT exceed its assets.	✓

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Ascott Reit	Ascott BT	Comparison ²³
Electronic Communications		
Any notice or document (including any accounts, balance-sheet, financial statements or report) which is required or permitted to be given, sent or served under the Ascott Reit Trust Deed to an Ascott Reit Unitholder may be given, sent or served using electronic communications, subject to applicable laws.	Any notice or document (including any accounts, balance-sheet, financial statements or report) which is required or permitted to be given, sent or served under the Ascott BT Trust Deed to an Ascott BT Unitholder may be given, sent or served using electronic communications, subject to applicable laws.	✓
Termination		
Each Ascott Reit Unitholder has the right to participate in the termination of Ascott Reit.	Each Ascott BT Unitholder has the right to participate in the winding-up or liquidation of Ascott BT.	✓

Certain key matters with respect to the stapled Ascott Reit Units and Ascott BT Units are set out below²²:

Stapling Deed Provisions	
Constitutive Document	The terms and conditions of the Ascott Reit-BT Stapling Deed shall be binding on each Ascott Reit-BT Stapled Unitholder.
Co-operation	Ascott Reit and Ascott BT must: <ul style="list-style-type: none"> • co-operate with each other in all matters concerning the Ascott Reit-BT Stapled Units; and • make available to each other all information in their possession as may be necessary or desirable to fulfil their respective obligations under the Ascott Reit-BT Stapling Deed.
Trading	Ascott Reit Units and Ascott BT Units are treated as one instrument for trading purposes – i.e., an Ascott Reit Unitholder cannot buy or sell Ascott Reit Units unless the same action occurs in respect of Ascott BT Units and <i>vice versa</i> .
Issue of units	Ascott Reit cannot issue Ascott Reit Units unless the same action occurs in respect of Ascott BT and <i>vice versa</i> .
Unit buy-backs	Ascott Reit cannot buy-back Ascott Reit Units unless the same action occurs in respect of Ascott BT and <i>vice versa</i> .

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Stapling Deed Provisions	
Stapling	<p>Ascott Reit-BT Stapled Units will remain stapled for so long as the Ascott Reit-BT Stapled Units remain in issue until:</p> <p>(a) otherwise determined by an Extraordinary Resolution passed by the Ascott Reit Unitholders and the Ascott BT Unitholders and with prior approval from the SGX-ST for such unstapling;</p> <p>(b) stapling becomes unlawful or prohibited by the relevant laws, regulations and guidelines, and with notification provided to the SGX-ST prior to such unstapling; or</p> <p>(c) either Ascott Reit or Ascott BT is terminated or wound up.</p> <p>The Ascott Reit-BT Stapling Deed will cease to be of effect from that point in time, except in relation to certain ongoing obligations stated therein.</p>
Others	<p>Ascott Reit and Ascott BT remain as separate entities – i.e., the Ascott Reit-BT Stapling Deed does not:</p> <ul style="list-style-type: none"> • create any association, joint venture or partnership between Ascott Reit and Ascott BT for any purpose; or • authorise the sharing of the benefits of any assets (and any profits therefrom).

1.2 Tax

Certain key matters with respect to the tax position of Ascott Reit-BT Unitholders are set out as follows.

The following summary of certain Singapore income tax consequences of the ownership and disposition of the Ascott Reit-BT Stapled Units is based on current income tax laws, regulations, rulings, administrative guidelines issued by the Singapore tax authorities and decisions now in effect as at the Latest Practicable Date, all of which are subject to change (possibly with retroactive effect). This summary is also based on relevant budget measures announced in the 2019 Singapore Budget which have yet to be enacted as laws.

The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to own or dispose of the Ascott Reit-BT Stapled Units and does not purport to deal with the consequences of application to all categories of investors, some of which may be subject to special rules. The summary also does not provide an overview of the taxation of Ascott Reit-BT Stapled Unitholders in any country outside Singapore.

The summary does not constitute tax advice. Investors should consult their own tax advisers concerning the application of Singapore tax laws to their particular situations as well as any consequences of the ownership and disposition of the Ascott Reit-BT Stapled Units arising under the laws of any other tax jurisdiction.

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Taxation of Ascott Reit-BT Stapled Unitholders

For Singapore income tax purposes, the components making up Ascott Reit-BT Stapled Units are recognised separately, i.e. as a unit in Ascott Reit and a unit in Ascott BT. Accordingly, distributions from the Combined Entity are recognised separately as distributions from Ascott Reit and distributions from Ascott BT for purposes of determining the applicable Singapore tax treatment.

Ascott Reit Distributions

Distributions from Ascott Reit may comprise all, or a combination, of the following types of distributions:

- (a) taxable income;
- (b) tax-exempt income;
- (c) capital; and
- (d) other gains.

The tax treatment of each type of distribution differs and may depend on the profile of the beneficial owner of the distributions. The statements below provide a summary of the tax treatment.

Taxable income distribution

Taxable income distribution refers to distributions made by Ascott Reit out of its income which is not assessed to tax on the Ascott Reit Trustee, i.e., income which qualifies for tax transparency treatment. Such income includes rental income or income from the management or holding of Ascott Reit’s immovable property in Singapore (but excluding gains from the disposal of such immovable property).

Withholding tax

Ascott Reit Trustee and Ascott Reit Manager are required to withhold or deduct income tax from taxable income distributions unless such distributions are made to a Ascott Reit-BT Stapled Unitholder who is an individual holding the Ascott Reit-BT Stapled Units either in his/her sole name or jointly with other individuals or a Qualifying Unitholder who submits a declaration in a prescribed form within a stipulated time limit.

An Ascott Reit-BT Stapled Unitholder is a Qualifying Unitholder if it is:

- (a) a company incorporated and resident in Singapore;
- (b) a Singapore branch of a non-tax resident company incorporated outside Singapore;
- (c) a body of persons (excluding companies or partnership) incorporated or registered in Singapore, including a charity registered under the Charities Act (Chapter 37 of Singapore) or established by any written law, a town council, a statutory board, a

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co-operative society registered under the Co-operative Societies Act (Chapter 62 of Singapore) or a trade union registered under the Trade Unions Act (Chapter 333 of Singapore);

- (d) an international organisation that is exempt from tax by reason of an order made under the International Organisations (Immunities and Privileges) Act (Chapter 145 of Singapore); or
- (e) a real estate investment trust exchange-traded funds which have been accorded the tax transparency treatment (but only in respect of taxable income distributions made by Ascott Reit on or before 31 December 2025).

In all other cases, the Ascott Reit Trustee and Ascott Reit Manager will withhold or deduct tax, currently at the rate of 17%, from taxable income distributions. This rate is reduced to 10% for distributions made on or before 31 December 2025 to Ascott Reit-BT Stapled Unitholders who are foreign non-individual investors or foreign funds.

A foreign non-individual investor is one who is not a resident of Singapore for income tax purposes and:

- (a) who does not have any permanent establishment in Singapore; or
- (b) who carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used by that person to acquire the units in a REIT (in the current context, the Ascott Reit Units or Ascott Reit-BT Stapled Units, as the case maybe) are not obtained from that operation.

A foreign fund is one that qualifies for tax exemption under section 13CA, 13X or 13Y of the Income Tax Act (Chapter 134 of Singapore) that is not a resident of Singapore for income tax purposes and:

- (a) who does not have a permanent establishment in Singapore (other than a fund manager in Singapore); or
- (b) who carries on any operation in Singapore through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used to acquire the units in a REIT (in the current context, the Ascott Reit Units or Ascott Reit-BT Stapled Unit, as the case maybe) are not obtained from that operation.

Where the Ascott Reit-BT Stapled Units are held in the name of a nominee, the Ascott Reit Trustee and Ascott Reit Manager will withhold or deduct tax, currently at the rate of 17%, unless the beneficial owner of the Ascott Reit-BT Stapled Units is an individual or a Qualifying Unitholder and provided that the nominee submits a declaration (containing certain particulars of the beneficial owner) in a prescribed form within a stipulated time limit to the Ascott Reit Trustee and Ascott Reit Manager. Where the beneficial owner is a foreign non-individual or a foreign fund as described above and provided the aforesaid declaration is submitted by the nominee, tax will be withheld or deducted at the rate of 10% for distributions made on or before 31 December 2025.

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Tax deducted at source on taxable income distributions

The tax deducted at the prevailing tax rate, currently 17%, by the Ascott Reit Trustee and Ascott Reit Manager is not a final tax. Ascott Reit-BT Stapled Unitholder can use this tax deducted as a set-off against its Singapore income tax liability, including its tax liability on the gross amount of taxable income distributions received on its Ascott Reit-BT Stapled Units.

The tax deducted at the reduced rate of 10% on taxable income distributions made on or before 31 December 2025 to foreign non-individuals and foreign funds is a final tax imposed on the gross amount of distributions.

Taxation in the hands of Ascott Reit-BT Stapled Unitholders

Unless otherwise exempt, Ascott Reit-BT Stapled Unitholders are liable to Singapore income tax on the gross amount of taxable income distributions (i.e. the amount of distribution before tax deduction at source, if any) received on its Ascott Reit-BT Stapled Units.

Taxable income distributions received by individuals, irrespective of their nationality or tax residence status, are exempt from tax unless such distributions are derived by the individual through a partnership in Singapore or from the carrying on of a trade, business or profession. Individuals who do not qualify for this tax exemption are subject to Singapore income tax on the gross amount of taxable income distributions at their own applicable tax rates, i.e. even if they have received the distributions without tax deduction at source.

Unless exempt from income tax because of their own specific circumstances, Ascott Reit-BT Stapled Unitholders who are Qualifying Unitholders are subject to Singapore income tax on the gross amount of taxable income distributions, i.e. even if they have received the distributions without tax deduction at source.

Other non-individual Ascott Reit-BT Stapled Unitholders are subject to Singapore income tax on the gross amount of taxable income distributions at their own applicable tax rates. Where the Ascott Reit-BT Stapled Unitholder is a foreign non-individual or a foreign fund, tax at a reduced rate of 10% will be imposed on taxable income distribution made on or before 31 December 2025.

Tax-exempt income distribution

Distributions of Ascott Reit’s tax-exempt income are exempt from tax in the hands of all Ascott Reit-BT Stapled Unitholders. Tax is not withheld or deducted from such distributions.

Capital distribution

Capital distributions are treated as returns of capital to Ascott Reit-BT Stapled Unitholders to the extent the aggregate amount of capital distributions made does not exceed the capital of Ascott Reit and are therefore not income subject to tax or withholding of tax. The amount received as capital distributions will be applied to reduce the cost of Ascott Reit-BT Stapled Unitholder’s investment in Ascott Reit-BT Stapled Units for income tax purposes. Where Ascott Reit-BT Stapled Unitholders, based on their own circumstances, are subject to Singapore income tax on gains from the disposal of Ascott Reit-BT Stapled Units, the reduced cost of their investments will be used for the purposes of computing such gains.

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Other gains distribution

Other gains distributions (such as distributions made out of income which has been taxed on the Ascott Reit Trustee and gains from the disposal of immovable properties or shares which are determined to be trading gains) are not taxable in the hands of Ascott Reit-BT Stapled Unitholders and are not subject to withholding of tax. Ascott Reit-BT Stapled Unitholders are not entitled to tax credits for any taxes paid by the Ascott Reit Trustee on income which has been taxed on the Ascott Reit Trustee.

Ascott BT Distributions

Distributions made by Ascott BT are exempt from Singapore income tax in the hands of all Ascott Reit-BT Stapled Unitholders. These distributions are also not subject to Singapore withholding tax. Ascott Reit-BT Stapled Unitholders are not entitled to tax credits for any taxes paid by Ascott BT Trustee-Manager on the income of Ascott BT.

Disposal of Ascott Reit-BT Stapled Units

Singapore does not impose tax on capital gains. Any gains considered to be in the nature of capital arising from the sale of Ascott Reit-BT Stapled Units will not be taxable in Singapore. However, any gains derived by any person from the sale of Ascott Reit-BT Stapled Units which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

There are no specific laws or regulations which deal with the characterisation of capital gains. The characterisation of the gains arising from the sale of Ascott Reit-BT Stapled Units will depend on the individual facts and circumstances of Ascott Reit-BT Stapled Unitholders.

Investors who have adopted or are adopting the Singapore Financial Reporting Standard 39 – Financial Instruments: Recognition and Measurement (“**FRS 39**”) or Financial Reporting Standard 109 – Financial Instruments (“**FRS 109**”) may, for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on Ascott Reit-BT Stapled Units, irrespective of disposal, in accordance with FRS 39 or FRS 109.

Investors should consult their own accounting and tax advisers regarding the Singapore income tax consequences arising from the adoption for FRS 39 or FRS 109 on their investment in Ascott Reit-BT Stapled Units.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

SCHEDULE C SIGNIFICANT ACCOUNTING POLICIES OF ASCOTT REIT

The significant accounting policies of Ascott Reit have been extracted from the Ascott Reit FY2018 Financial Statements and, save for references to page numbers which have been altered to conform with the pagination of the Scheme Document, are set out below.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2018. The adoption of these standards did not result in substantial changes to the accounting policies and had no significant effect on the financial performance or position of the Group and the Trust.

3.1 Basis of consolidation

(i) Property acquisition and business combination

Where a property is acquired, via corporate acquisitions or otherwise, the Manager considers whether the acquisition represents an acquisition of a business or an acquisition of an asset. An acquisition is accounted for as a business combination when an integrated set of activities is acquired, in addition to the property.

In determining whether an integrated set of activities is acquired, the Manager considers whether significant processes, such as strategic management and operational processes, are acquired. Where significant processes are acquired, the acquisition is considered an acquisition of business.

Where an acquisition does not represent an acquisition of a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of acquisition is allocated to the assets and liabilities acquired and no goodwill or deferred tax is recognised.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s interests in subsidiaries that do not result in a loss of control are accounted for as transactions with owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in the Statement of Total Return. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognised in the Statement of Total Return. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Basis of consolidation (continued)

(iii) Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the income, expenses and equity movements of the associates, after adjustments to align the accounting policies of the associates with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group’s share of losses exceeds its interest in an associate, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the associate’s operations or has made payments on behalf of the associate.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group’s interest in the associate. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(v) Accounting for subsidiaries and associate by the Trust

Investments in subsidiaries and associate are stated in the Trust’s Statement of Financial Position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) Foreign currency transactions

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the “functional currency”).

Transactions in foreign currencies are translated to the respective functional currencies of the Group’s entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting date are translated to the functional currency at the exchange rate prevailing at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date on which the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising from translation are recognised in the Statement of Total Return, except for differences arising from the translation of monetary items that in substance form part of the Group’s net investment in a foreign operation, financial liabilities designated as hedges of net investment in a foreign operation (see Note 3.2 (iv)) or qualifying cash flow hedges, to the extent such hedges are effective, which are recognised in Unitholders’ funds.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Foreign currency (continued)

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to Singapore Dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore Dollars at exchange rates at the dates of the transactions. Fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rates at the reporting date.

Foreign currency differences are recognised in Unitholders’ funds, and presented in the foreign currency translation reserve. However, if the foreign operation is not a wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is transferred to total return as part of the profit or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is transferred to total return.

(iii) Net investment in a foreign operation

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in Unitholders’ funds and are presented in the foreign currency translation reserve.

(iv) Hedge of net investment in foreign operation

The Group applies hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the Trust’s functional currency (Singapore Dollars) to certain foreign investments.

In the Trust’s financial statements, foreign currency differences arising from the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in the Statement of Total Return. On consolidation, such differences are recognised in the foreign currency translation reserve in Unitholders’ funds, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in the Statement of Total Return. When the hedged net investment is disposed of, the cumulative amount in the foreign currency translation reserve is transferred to the Statement of Total Return as part of the gain or loss on disposal.

3.3 Serviced residence properties

Serviced residence properties comprise serviced residences, rental housing properties and other hospitality assets which are held either to earn rental or for capital appreciation or both. Certain of the Group’s serviced residence properties acquired through interests in subsidiaries, are accounted for as acquisition of assets.

Serviced residence properties accounted for as investment properties are initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in the total return. Cost includes expenditure that is directly attributable to the acquisition of the investment property. Fair value is determined in accordance with the Trust Deed, which requires the serviced residence properties to be valued by independent registered valuers in the following events:

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Serviced residence properties (continued)

- at least once in each period of 12 months following the acquisition of each parcel of real estate property; and
- for acquisition and disposal of real estate property as required by the CIS Code issued by MAS.

Any increase or decrease on revaluation is credited or charged to the Statement of Total Return as a net change in fair value of the serviced residence properties.

Any gain or loss on disposal of a serviced residence property (calculated as the difference between net proceeds from disposal and the carrying amount of the property) is recognised in the Statement of Total Return.

3.4 Plant and equipment

Plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Certain of the Group’s plant and equipment acquired through interests in subsidiaries, are accounted for as acquisition of assets.

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset if it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and its cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use. Depreciation on plant and equipment is recognised in the Statement of Total Return on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment as follows:

Renovation	– 8 to 12 years
Motor vehicles	– 5 years
Office equipment, computers and furniture	– 3 to 8 years

Assets under construction are stated at cost and are not depreciated. Expenditure relating to assets under construction (including borrowing costs) are capitalised when incurred. Depreciation will commence when the development is completed and ready to use.

The assets’ residual values, useful lives and depreciation methods are reviewed at each reporting date, and adjusted if appropriate.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments

(i) Non-derivative financial assets – Policy applicable from 1 January 2018

Classification and measurement

The Group classifies its financial assets as financial assets at amortised costs.

The classification depends on the Group’s business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

At initial recognition

A financial asset is recognised if the Group becomes a party to the contractual provisions of the financial asset.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through total return, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through total return are expensed in the Statement of Total Return.

At subsequent measurement

Financial assets at amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

Non-derivative financial assets – Policy applicable before 1 January 2018

The Group classifies non-derivative financial assets into loans and receivables category. A financial asset is recognised if the Group becomes a party to the contractual provision of the financial asset.

Loans and receivables

Loans and receivables were financial assets with fixed or determinable payments that were not quoted in an active market. Such assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables were measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprised cash and cash equivalents, and trade and other receivables (excluding prepayments).

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the Statement of Cash Flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and form an integral part of the Group’s cash management are included as a component of cash and cash equivalents.

(iii) Non-derivative financial liabilities

The Group initially recognises debt securities issued on the date that they are originated. Financial liabilities for contingent consideration payable in a business combination are recognised at the acquisition date. All other financial liabilities (including liabilities designated at fair value through total return) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(iii) Non-derivative financial liabilities (continued)

The Group classifies non-derivative financial liabilities under the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method. Other financial liabilities comprised loans and borrowings, and trade and other payables (excluding advance rental and liability for employee benefits).

(iv) Derecognition

Financial assets are derecognised if the Group’s contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or transfers substantially all the risks and rewards of the assets. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

(v) Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(vi) Derivative financial instruments and hedge accounting – Policy applicable from 1 January 2018

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through total return. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either: (a) cash flow hedge; or (b) net investment hedge.

On initial designation of the derivative as the hedging instrument, the Group formally documents the economic relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported total return.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the Statement of Total Return when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Hedging relationships designated under FRS 39 that were still existing as at 31 December 2017 are treated as continuing hedges and hedge documentations were aligned accordingly to the requirements of FRS 109.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the hedging reserve in Unitholders’ funds. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in Statement of Total Return.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(vi) Derivative financial instruments and hedge accounting – Policy applicable from 1 January 2018 (continued)

Cash flow hedges (continued)

When the hedged forecast transaction subsequently results in the recognition of a non-financial item, such as inventory, the amounts recognised in the hedged reserve is included in the initial cost of the non-financial item.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in Unitholders’ funds until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item’s cost on its initial recognition or, for other cash flow hedges, it is reclassified to Statement of Total Return in the same period or periods as the hedged expected future cash flows affect total return.

Net investment hedge

The Group designates certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognised in the foreign currency translation reserve in Unitholders’ funds. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in the Statement of Total Return. The amount recognised in the foreign currency translation reserve is reclassified to the Statement of Total Return as a reclassification adjustment on disposal of the foreign operation.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in the Statement of Total Return.

Derivative financial instruments and hedge accounting – Policy applicable before 1 January 2018

The policy applied in the comparative information presented for 2017 is similar to that applied for 2018. However, embedded derivatives are not separated from host contracts that are financial assets in the scope of FRS 109. Instead, the hybrid financial instrument is assessed as a whole for classification of financial assets under FRS 109.

(vii) Intra-group financial guarantees

Financial guarantees are financial instruments issued by the Trust that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees are recognised initially at fair value and are classified as financial liabilities. Subsequent to initial measurement, the financial guarantees are stated at the higher of the initial fair value less cumulative amortisation and the amount of loss allowance. When financial guarantees are terminated before their original expiry date, the carrying amount of the financial guarantees is transferred to the Statement of Total Return.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(vii) Intra-group financial guarantees (continued)

Prior to 1 January 2018, for subsequent measurement, the financial guarantees were measured at the higher of the initial fair value less cumulative amortisation and the amount that would be recognised if they were accounted for as contingent liabilities.

(viii) Unitholders’ funds

Unitholders’ funds represent the Unitholders’ residual interest in the Group’s net assets upon termination and is classified as equity. Incremental costs directly attributable to the issue of Units are recognised as a deduction from Unitholders’ funds.

(ix) Perpetual securities

The perpetual securities do not have a maturity date and distribution payment is optional at the discretion of the Trust. As the Trust does not have a contractual obligation to repay the principal nor make any distributions, perpetual securities are classified as Unitholders’ funds.

Any distributions made are directly debited from Unitholders’ funds. Incremental costs directly attributable to the issue of the perpetual securities are deducted against the proceeds from the issue.

3.6 Impairment

(i) Financial assets

Policy applicable from 1 January 2018

The Group assesses on a forward looking basis the expected credit losses (“ECL”) associated with its financial assets carried at amortised cost and financial guarantee contracts. For trade receivables, the Group applies the simplified approach permitted by FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group applies the general approach of 12-month ECL at initial recognition for all other financial assets and financial guarantee contracts.

Policy applicable before 1 January 2018

A financial asset not carried at fair value through total return, including an interest in an associate, was assessed at the end of each reporting period to determine whether there was objective evidence that it was impaired. A financial asset was impaired if objective evidence indicated that a loss event(s) had occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that could be estimated reliably.

Objective evidence that financial assets were impaired included default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer would enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security.

All individually significant financial assets are assessed for specific impairment on an individual basis. All individually significant financial assets found not to be specifically impaired are then collectively assessed for any impairment that has incurred but not yet identified. The remaining financial assets that are not individually significant are collectively assessed for impairment by grouping together such instruments with similar risk characteristics.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Impairment (continued)

(i) Financial assets (continued)

In assessing collective impairment, the Group used historical information on the timing of recoveries and the amount of loss incurred, and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Losses are recognised in the Statement of Total Return and reflected as an allowance account against loans and receivables. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through total return.

(ii) Non-financial assets

The carrying amounts of the Group’s non-financial assets, other than serviced residence properties, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets’ recoverable amounts are estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (“CGU”) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGU that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in the Statement of Total Return. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of the assets in the CGU on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.7 Inventories

Inventories comprise principally food and beverage and other serviced residence and rental property related consumable stocks. Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Assets held for sale

Non-current assets comprising assets and liabilities that are highly probable to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with applicable FRSs. Thereafter, the assets classified as held for sale are generally measured at the lower of their carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in the Statement of Total Return. Gains are not recognised in excess of any cumulative impairment loss.

3.9 Employee benefits

(i) Defined contribution plans

Contributions to post-employment benefits under defined contribution plans are recognised as an expense in the Statement of Total Return in the period during which the related services are rendered by employees.

(ii) Short-term employee benefits

All short-term employee benefits, including accumulated compensated absences, are measured on an undiscounted basis and are recognised in the period in which the employees render their services.

A provision is recognised for the amount expected to be paid under cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.10 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.11 Leases

(i) When entities within the Group are lessees of a finance lease

Leased assets in which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Lease payments are apportioned between finance expense and reduction of the lease liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest over the remaining balance of the liability.

(ii) When entities within the Group are lessees of an operating lease

Where the Group has the use of assets under operating leases, payments made under the leases are recognised in the Statement of Total Return on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease payments made. Contingent rentals are charged to the Statement of Total Return in the accounting period in which they are incurred.

(iii) When entities within the Group are lessors of an operating lease

Assets subject to operating leases are included in serviced residence properties (see Note 3.3).

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Revenue

(i) Rental income from operating leases

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

(ii) Hospitality income

Hospitality income from serviced residence operations is recognised on an accrual basis, upon rendering of the relevant services. Hospitality income includes fees from usage of the business centres and laundry facilities, recoveries from guests for utilities including telephone charges, income earned from the sales of food and beverages, recoveries of shortfall of net operating profit or earnings before net interest expenses, tax, depreciation and amortisation, service and maintenance fees, recoveries of property taxes and maintenance costs from tenants and fees for managing public areas as well as other miscellaneous income.

(iii) Car park income

For car parks which are leased to an external operator, car park income is recognised on a straight-line basis over the term of the lease. For other car parks, car park income is recognised on an accrual basis.

(iv) Dividend income

Dividend income is recognised in the Statement of Total Return on the date that the Group’s or the Trust’s right to receive payment is established.

3.13 Expenses

(i) Direct expenses

Direct expenses consist of serviced residence management fees, property taxes, staff costs and other property outgoings in relation to serviced residence properties where such expenses are the responsibility of the Group.

(ii) Trustee’s fees

The Trustee’s fees are recognised on an accrual basis using the applicable formula, stipulated in Note 1(i).

(iii) Manager’s management fees

Manager’s management fees are recognised on an accrual basis using the applicable formula, stipulated in Note 1(ii).

(iv) Serviced residence management fees

The serviced residence management fees are recognised on an accrual basis using the applicable formula, stipulated in Note 1(iii).

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Finance income and finance costs

Finance income comprises interest income and is recognised as it accrues, using the effective interest method.

Finance costs comprise interest expense on loans and borrowings, and amortisation of loans and borrowings related costs. Finance costs are recognised in the Statement of Total Return using the effective interest method.

3.15 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Statement of Total Return except to the extent that it relates to a business combination, or items recognised directly in Unitholders’ funds.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Income tax (continued)

The Inland Revenue Authority of Singapore (the “IRAS”) has issued a tax ruling on the income tax treatment of the Trust. Subject to compliance with the terms and conditions of the tax ruling, the Trust is not subject to tax on the taxable income of the Trust. Instead, the distributions made by the Trust out of such taxable income are distributed free of tax deducted at source to individual Unitholders and qualifying Unitholders. Qualifying Unitholders are companies incorporated and tax resident in Singapore, Singapore branches of foreign companies that have obtained waiver from the IRAS from tax deducted at source in respect of the distributions from the Trust, and bodies of persons registered or constituted in Singapore. This treatment is known as the tax transparency treatment.

The Trustee will deduct tax at the reduced rate of 10% from distributions made out of the Trust’s taxable income that is not taxed at the Trust’s level to beneficial Unitholders who are qualifying foreign non-individual investors. A qualifying foreign non-individual investor is one who is not a resident of Singapore for income tax purposes, and does not have a permanent establishment in Singapore. Where the non-individual investor carries on any operation in Singapore through a permanent establishment in Singapore, the funds used by that person to acquire the Units cannot be obtained from that operation to qualify for the reduced tax rate.

For other types of Unitholders, the Trustee is required to withhold tax at the prevailing corporate tax rate on the distributions made by the Trust. Such Unitholders are subject to tax on the regrossed amounts of the distributions received but may claim a credit for the tax deducted at source by the Trustee.

Distribution policy

The Trust will distribute at least 90% of its taxable income, other than gains from the sale of real estate properties that are determined by the IRAS to be trading gains, and net overseas income.

Net overseas income refers to the net profits (excluding any gains from the sale of property or shares, as the case may be) after applicable taxes and adjustment for non-cash items such as depreciation, derived by the Trust from its properties located outside Singapore.

Distributions are made on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. In accordance with the provisions of the Trust Deed, the Manager is required to pay distributions declared within 60 days of the end of each distribution period. Distributions, when paid, will be in Singapore Dollars.

3.16 Earnings per Unit

The Group presents basic and diluted earnings per Unit (“EPU”) data for its units. Basic EPU is calculated by dividing the total return attributable to Unitholders of the Group by the weighted average number of Units outstanding during the period. Diluted EPU is determined by adjusting the total return attributable to Unitholders and the weighted average number of Units outstanding for the effects of all dilutive potential Units.

3.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group’s other components. All operating segments’ operating results are reviewed regularly by the Manager’s CEO to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise finance costs, trust expenses and income tax expense.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Segment reporting (continued)

Segment capital expenditure is the total costs incurred on serviced residence properties, and plant and equipment during the year.

3.18 New standards and interpretations not adopted

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 January 2018 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new FRSs, interpretations and amendments to FRSs are effective for annual periods beginning on or after 1 January 2019:

Applicable to 2019 financial statements

- FRS 116 *Leases*
- INT FRS 123 *Uncertainty over Income Tax Treatments*
- *Long-term Interests in Associates and Joint Ventures* (Amendments to FRS 28)
- *Prepayment Features with Negative Compensation* (Amendments to FRS 109)
- *Previously Held Interest in a Joint Operation* (Amendments to FRS 103 and FRS 111)
- *Income Tax Consequences of Payments on Financial Instruments Classified as Equity* (Amendments to FRS 12)
- *Borrowing Costs Eligible for Capitalisation* (Amendments to FRS 23)
- *Plan Amendment, Curtailment or Settlement* (Amendments to FRS 19)

Applicable to 2021 financial statements

- FRS 117 *Insurance Contracts*

Mandatory effective date deferred

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to FRS 110 and FRS 28).

The Group has assessed the estimated impact that initial application of FRS 116 will have on the financial statements. The Group’s assessment of FRS 116, which is expected to have a more significant impact on the Group, is as described below.

FRS 116

FRS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (“ROU”) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. FRS 116 replaces existing lease accounting guidance, including FRS 17 *Leases*, INT FRS 104 *Determining whether an Arrangement contains a Lease*, INT FRS 15 *Operating Leases – Incentives* and INT FRS 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted.

The Group and the Trust plan to apply FRS 116 initially on 1 January 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting FRS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 January 2019, with no restatement of comparative information. The Group and the Trust plan to apply the practical expedient to grandfather the definition of a lease on transition. This means that they will apply FRS 116 to all contracts entered into before 1 January 2019 and identified as leases in accordance with FRS 17 and INT FRS 104.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 New standards and interpretations not adopted (continued)

FRS 116 (continued)

i. The Group and the Trust as lessee

The Group and the Trust expect to measure lease liabilities by applying a single discount rate to their portfolio of leases. Furthermore, the Group and the Trust are likely to apply the practical expedient to recognise amounts of ROU assets equal to their lease liabilities at 1 January 2019. For lease contracts that contain the option to renew, the Group and the Trust are expected to use hindsight in determining the lease term.

The Group and the Trust expect their existing operating lease arrangements to be recognised as ROU assets with corresponding lease liabilities under FRS 116. Lease payments that are increased to reflect market rentals, and those that are based on changes in local price index, are included in the measurement of lease liabilities as at date of initial application.

As at 1 January 2019, the Group expects an increase in ROU assets and lease liabilities of \$298.2 million as at 1 January 2019.

The nature of expenses related to those leases will change as FRS 116 replaces the straight-line operating lease expense with change in fair value for ROU assets and interest expense on lease liabilities.

The Group does not expect the adoption of FRS 116 to impact their ability to comply with the Aggregate Leverage limit described in Note 17.

ii. The Group as lessor

FRS 116 substantially carries forward the current existing lessor accounting requirements. Accordingly, the Group continues to classify its leases as operating leases or finance leases, and to account for these two types of leases using the existing operating lease and finance lease accounting models respectively.

No significant impact is expected for other leases in which the Group is a lessor.

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SCHEDULE D ASCOTT REIT 1H 2019 FINANCIAL RESULTS



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ASCOTT RESIDENCE TRUST 2019 SECOND QUARTER UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT TABLE OF CONTENTS

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APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

ASCOTT RESIDENCE TRUST 2019 SECOND QUARTER UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT

Summary of Group Results

	2Q 2019 S\$'000	2Q 2018 S\$'000	Better / (Worse) %	YTD Jun 2019 S\$'000	YTD Jun 2018 S\$'000	Better / (Worse) %
Revenue	132,494	130,499	2	248,409	243,283	2
Gross Profit	67,655	63,138	7	122,270	111,805	9
Gross Profit (excluding FRS 116 impact) ⁽¹⁾	62,537	63,138	(1)	112,039	111,805	–
Unitholders' Distribution ^{(2), (3)}	43,144	39,779	8	74,623	68,943	8
Distribution Per Unit ("DPU") (cents)	1.98	1.84	8	3.43	3.19	8
<u>For information only</u> DPU (cents) (adjusted for one-off items ^{(2), (3)})	1.84	1.84	–	3.17	3.12	2

⁽¹⁾ FRS 116 *Leases* is effective from 1 January 2019. The adoption of this standard changes the nature of expense for the Group's portfolio of operating leases and replaced the straight-line operating lease expense to change in fair value for right-of-use assets and interest expense on lease liabilities. Please see paragraph 5 for more details.

⁽²⁾ Unitholders' distribution for 2Q 2019 included a realised exchange gain of S\$3.1 million arising from the repayment of foreign currency bank loans with the divestment proceeds from Ascott Raffles Place Singapore.

⁽³⁾ Unitholders' distribution for YTD Jun 2019 included a realised exchange gain of S\$5.7 million arising from the repayment of foreign currency bank loans with the divestment proceeds from Ascott Raffles Place Singapore.

Unitholders' distribution for YTD Jun 2018 included a realised exchange gain of S\$1.6 million arising from the receipt of divestment proceeds and repayment of foreign currency bank loans with the divestment proceeds.

DISTRIBUTION AND BOOK CLOSURE DATE

Distribution	For 1 January 2019 to 30 June 2019
Distribution Rate	3.431 cents per Unit
Book Closure Date	7 August 2019
Payment Date	29 August 2019

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

ASCOTT RESIDENCE TRUST 2019 SECOND QUARTER UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT

INTRODUCTION

Ascott Residence Trust (“Ascott Reit”) was established under a trust deed dated 19 January 2006 entered into between Ascott Residence Trust Management Limited (as manager of Ascott Reit) (the “Manager”) and DBS Trustee Limited (as trustee of Ascott Reit) (the “Trustee”).

Ascott Reit’s objective is to invest primarily in real estate and real estate related assets which are income-producing and which are used, or predominantly used as serviced residences, rental housing properties and other hospitality assets. It has a portfolio of serviced residences and rental housing properties across Asia Pacific, Europe and United States of America. Ascott Reit’s investment policy covers any country in the world.

Ascott Reit was directly held by The Ascott Limited up to and including 30 March 2006. On 31 March 2006, Ascott Reit was listed on the Singapore Exchange Securities Trading Limited with an initial portfolio of 12 properties with 2,068 apartment units in seven cities across five countries (Singapore, China, Indonesia, the Philippines and Vietnam).

In 2010, Ascott Reit enhanced the geographical diversification of its portfolio by acquiring 26 properties in Europe. In 2012, Ascott Reit acquired four properties in Kyoto, Singapore, Guangzhou and Germany. Ascott Reit also completed the divestment of Somerset Grand Cairnhill Singapore. In 2013, Ascott Reit acquired three properties in China and a portfolio of 11 rental housing properties in Japan. In 2014, Ascott Reit acquired nine properties in four countries (Australia, China, Japan and Malaysia).

In 2015, Ascott Reit acquired a property in Melbourne, Australia, a portfolio of four rental housing properties in Osaka, Japan, the remaining 40% interest in Citadines Shinjuku Tokyo and Citadines Karasuma-Gojo Kyoto and its first property in New York, the United States of America (“US”). On 29 April 2016, Ascott Reit completed the acquisition of Sheraton Tribeca New York Hotel. In 2017, Ascott Reit acquired two properties in Germany, a property in Singapore and its third property in US and divested a portfolio of 18 rental housing properties in Japan.

In January 2018, Ascott Reit completed the divestment of Citadines Biyun Shanghai and Citadines Gaoxin Xi’an. Ascott Reit announced its maiden development project at Nepal Hill, Singapore to build the first coliving property, lyf one-north Singapore, in September 2018. The project will be completed by 2020. On 4 January 2019, Ascott Reit took possession of the site for the development of lyf one-north Singapore.

On 9 January 2019, Ascott Reit entered into a sale and purchase agreement to divest Ascott Raffles Place Singapore for an aggregate sale consideration of S\$353.3 million. The sale price is 64.3% above the book value of the property and the divestment was completed on 9 May 2019.

Ascott Reit announced the acquisition of Felix Hotel, its first limited-service business hotel in Australia, on 27 March 2019. The property was rebranded as Citadines Connect Sydney Airport upon completion of the acquisition on 1 May 2019.

As at 30 June 2019, Ascott Reit’s portfolio comprises 73 operating properties¹ with 11,434 apartment units in 37 cities across 14 countries.

Ascott Reit makes distributions to Unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. Distributions are paid in Singapore dollar. Since its listing, Ascott Reit has paid 100% of its distributable income.

¹ Exclude lyf one-north Singapore (under development).

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

1(a)(i) Consolidated Statement of Total Return

	Note	GROUP			GROUP		
		2Q 2019 S\$'000	2Q 2018 S\$'000	Better / (Worse) %	YTD Jun 2019 S\$'000	YTD Jun 2018 S\$'000	Better / (Worse) %
Revenue	A.1	132,494	130,499	2	248,409	243,283	2
Direct expenses	A.2	(64,839)	(67,361)	4	(126,139)	(131,478)	4
Gross Profit	A.1	67,655	63,138	7	122,270	111,805	9
Finance income	A.3	388	233	67	739	601	23
Other operating income	A.4	139	266	(48)	303	395	(23)
Finance costs	A.3	(13,008)	(11,652)	(12)	(26,379)	(23,248)	(13)
Manager’s management fees		(6,039)	(6,108)	1	(11,440)	(11,459)	–
Trustee’s fee		(145)	(122)	(19)	(292)	(252)	(16)
Professional fees	A.5	(521)	(663)	21	(1,122)	(1,316)	15
Audit fees	A.6	(595)	(666)	11	(1,082)	(1,369)	21
Foreign exchange gain / (loss)	A.7	3,145	(6,490)	n.m.	3,342	(3,290)	n.m.
Other operating expenses	A.8	(579)	(866)	33	(1,108)	(1,464)	24
Share of results of associate (net of tax)		(2)	(14)	86	(24)	(41)	41
Net income before changes in fair value of financial derivatives, investment properties and assets held for sale		50,438	37,056	36	85,207	70,362	21
Net change in fair value of financial derivatives	A.9	600	396	52	604	282	114
Net change in fair value of investment properties and assets held for sale	A.10	9,006	26,696	(66)	144,030	26,696	440
Loss upon divestment		–	–	n.m.	–	(488)	n.m.
Assets written off		–	(13)	n.m.	–	(13)	n.m.
Total return for the period before tax		60,044	64,135	(6)	229,841	96,839	137
Income tax expense	A.11	(12,663)	(14,080)	10	(16,916)	(17,231)	2
Total return for the period after tax		47,381	50,055	(5)	212,925	79,608	167
Attributable to:							
Unitholders and perpetual securities holders		48,580	46,526		212,545	74,657	
Non-controlling interests		(1,199)	3,529		380	4,951	
Total return for the period		47,381	50,055	(5)	212,925	79,608	167

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

RECONCILIATION OF TOTAL RETURN FOR THE PERIOD ATTRIBUTABLE TO UNITHOLDERS TO TOTAL UNITHOLDERS’ DISTRIBUTION

	Note	GROUP		Better / (Worse) %	GROUP		Better / (Worse) %
		2Q 2019 S\$’000	2Q 2018 S\$’000		YTD Jun 2019 %	YTD Jun 2018 S\$’000	
Total return for the period attributable to Unitholders and perpetual securities holders		48,580	46,526		212,545	74,657	
Net effect of non-tax deductible / chargeable items and other adjustments	A.12	(649)	(1,960)		(128,401)	3,807	
Total amount distributable for the period		47,931	44,566	8	84,144	78,464	7
Amount distributable:							
- Unitholders		43,144	39,779		74,623	68,943	
- Perpetual securities holders		4,787	4,787		9,521	9,521	
		47,931	44,566	8	84,144	78,464	7
Comprises:							
- from operations ¹		10,738	11,977		8,338	128,346	
- from unitholders’ contributions		32,406	27,802		66,285	(59,403)	
		43,144	39,779	8	74,623	68,943	8

¹ Unitholders’ distribution from operations was higher in YTD Jun 2018 due to dividend income recognised at the Trust arising from the profit from divestment of the two China properties.

1(a)(ii) Explanatory Notes to Consolidated Statement of Total Return

A.1 Revenue and Gross profit

Revenue for 2Q 2019 of S\$132.5 million comprised S\$18.5 million (14% of total revenue) from properties on Master Leases, S\$21.7 million (16%) from properties on management contracts with minimum guaranteed income and S\$92.3 million (70%) from properties on management contracts.

Revenue for 2Q 2019 increased by S\$2.0 million or 2% as compared to 2Q 2018. This was mainly attributed to the additional revenue of S\$0.8 million from the acquisition of Citadines Connect Sydney Airport in May 2019 and higher revenue of S\$2.3 million from the existing properties in Philippines, United Kingdom and Japan, partially offset by the decrease in revenue of S\$1.1 million from the divestment of Ascott Raffles Place Singapore.

The Group achieved a revenue per available unit (“REVPAU”) of S\$158 for 2Q 2019, an increase of 2% as compared to 2Q 2018.

Gross profit for 2Q 2019 of S\$67.6 million comprised S\$16.6 million (25% of total gross profit) from properties on Master Leases, S\$9.8 million (14%) from properties on management contracts with minimum guaranteed income and S\$41.2 million (61%) from properties on management contracts.

As compared to 2Q 2018, gross profit increased by S\$4.5 million or 7% due to higher revenue and the adoption of FRS 116 Leases with effect from 1 January 2019. Please refer to paragraph 5 for more details on the impact arising from the adoption of this accounting standard.

On a same store basis and excluding the FRS 116 adjustments, gross profit increased by S\$0.2 million.

Please refer to Para 8(a) for a more detailed analysis.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

A.2 Direct expenses include the following items:

	GROUP		Better / (Worse) %	GROUP		Better / (Worse) %
	2Q 2019 S\$'000	2Q 2018 S\$'000		YTD Jun 2019 S\$'000	YTD Jun 2018 S\$'000	
Depreciation and amortisation ¹	(3,059)	(3,043)	(1)	(6,075)	(6,313)	4
Staff costs	(14,708)	(14,748)	–	(28,665)	(28,968)	1

¹ Depreciation and amortisation were lower in YTD Jun 2019 mainly due to fully depreciated assets.

A.3 Finance income / Finance costs

Finance income was higher in 2Q 2019 due to fixed deposit placements with the divestment proceeds from Ascott Raffles Place Singapore, prior to the repayment of bank loans.

Finance costs were higher in 2Q 2019 due to the interest expense of S\$2.8 million recognised on the lease liability arising from the adoption of FRS 116.

Excluding the FRS 116 adjustments, finance costs were lower by S\$1.4 million in 2Q 2019 due to refinancing of medium-term notes at lower interest rates and repayment of bank loans with the divestment proceeds from Ascott Raffles Place Singapore.

A.4 Other operating income

Other operating income was higher in 2Q 2018 due to forfeiture of security deposits.

A.5 Professional fees

Professional fees were higher in 2Q 2018 due to expenses incurred in connection with the refund of withholding tax on prior periods' dividends declared by the France subsidiaries.

A.6 Audit fees

Audit fees were lower in 2Q 2019 due to weaker exchange rates.

A.7 Foreign exchange gain / (loss)

The foreign exchange gain recognised in 2Q 2019 mainly relates to realised exchange gain arising from the repayment of foreign currency bank loans with the divestment proceeds from Ascott Raffles Place Singapore.

The foreign exchange loss recognised in 2Q 2018 mainly comprised unrealised exchange loss of S\$7.0 million (mainly arising from EUR denominated shareholders' loans extended to the Group's subsidiaries as a result of the depreciation of EUR against SGD as at balance sheet date) and realised exchange gain of S\$0.5 million (mainly arising from gain on repayment of shareholders' loan from Europe and gain on the foreign currency forward contracts).

A.8 Other operating expenses

Other operating expenses were lower in 2Q 2019 mainly due to lower non-refundable GST.

A.9 Net change in fair value of financial derivatives

This mainly relates to the fair value change of foreign currency forward contracts (entered into to hedge distribution income).

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

A.10 Net change in fair value of investment properties and assets held for sale

This relates to the surplus on revaluation of investment properties. The surplus resulted mainly from higher valuation of the Group’s properties in Australia, Belgium, Germany and Japan, partially offset by lower valuation from the properties in China, Philippines, Spain and Vietnam.

A.11 Income tax expense

Taxation for 2Q 2019 was lower by S\$1.4 million as compared to the corresponding period last year. This was mainly due to lower deferred tax liability provided on the fair value surplus recognised.

A.12 Net effect of non-tax deductible / (chargeable) items and other adjustments include the following:

	GROUP		Better / (Worse) %	GROUP		Better / (Worse) %
	2Q 2019 S\$’000	2Q 2018 S\$’000		YTD Jun 2019 S\$’000	YTD Jun 2018 S\$’000	
Depreciation and amortisation	3,059	3,043	(1)	6,075	6,313	4
Manager’s management fee payable / paid partially in units	4,383	4,446	(1)	8,392	8,410	–
Trustee’s fees ¹	16	23	30	46	48	4
Unrealised foreign exchange loss	142	6,988	98	2,158	5,376	60
Net change in fair value of financial derivatives (Note A.9)	(600)	(396)	52	(604)	(282)	114
Net change in fair value of investment properties and assets held for sale (Note A.10)	(9,006)	(26,696)	(66)	(144,030)	(26,696)	440
Loss upon divestment	–	–	n.m.	–	488	n.m.
Operating lease expense recognised on a straight-line basis	–	775	n.m.	–	1,551	n.m.
Interest expense on lease liabilities ²	2,801	–	n.m.	5,611	–	n.m.
Lease payments for right-of-use assets ²	(4,400)	–	n.m.	(8,808)	–	n.m.
Assets written off	–	13	n.m.	–	13	n.m.
Deferred tax expense	5,962	7,767	23	5,916	6,730	12
Effect of non-controlling interests arising from the above	(2,862)	2,013	242	(2,946)	1,883	256

¹ This relates to the Singapore properties only and is not tax deductible.

² Due to adoption of FRS 116 Leases. Please refer to paragraph 5 for more details.

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1(b)(i) Statement of Financial Position

	Note	GROUP		TRUST	
		30/06/19 S\$'000	31/12/18 S\$'000	30/06/19 S\$'000	31/12/18 S\$'000
Non-Current Assets					
Investment properties	B.1	5,055,882	4,679,295	740,158	739,193
Other non-current assets	B.2	–	65,535	–	65,535
Investment property under development	B.2	67,135	–	67,135	–
Plant and equipment		48,441	48,564	9,842	10,807
Subsidiaries		–	–	276,546	276,546
Associate		3,010	3,040	3,056	3,062
Financial derivatives	B.3	2,446	8,294	999	1,879
Deferred tax assets		4,088	4,309	–	–
		5,181,002	4,809,037	1,097,736	1,097,022
Current Assets					
Inventories		333	328	–	–
Assets held for sale	B.4	–	215,000	–	215,000
Trade and other receivables	B.5	61,355	56,919	2,345,475	2,299,467
Financial derivatives	B.3	665	–	665	–
Cash and cash equivalents	B.6	251,095	227,847	44,734	40,112
		313,448	500,094	2,390,874	2,554,579
Total Assets		5,494,450	5,309,131	3,488,610	3,651,601
Non-Current Liabilities					
Interest bearing liabilities	B.9	(1,588,994)	(1,835,316)	(189,300)	(424,430)
Financial derivatives	B.3	(11,686)	(6,850)	(9,583)	(5,269)
Trade and other payables		(839)	–	–	–
Deferred tax liabilities		(119,046)	(117,865)	–	–
Lease liabilities	B.8	(279,578)	–	–	–
		(2,000,143)	(1,960,031)	(198,883)	(429,699)
Current Liabilities					
Interest bearing liabilities	B.9	(80,994)	(70,137)	–	–
Financial derivatives	B.3	(63)	(280)	(61)	(191)
Trade and other payables	B.7	(143,120)	(141,252)	(959,760)	(927,844)
Lease liabilities	B.8	(17,867)	–	–	–
Provision for taxation		(9,245)	(6,522)	–	–
		(251,289)	(218,191)	(959,821)	(928,035)
Total Liabilities		(2,251,432)	(2,178,222)	(1,158,704)	(1,357,734)
Net Assets		3,243,018	3,130,909	2,329,906	2,293,867
Represented by:					
Unitholders’ funds		2,756,633	2,644,051	1,932,832	1,896,740
Perpetual securities holders	B.10	397,074	397,127	397,074	397,127
Non-controlling interests		89,311	89,731	–	–
Total Equity	1(d)(i)	3,243,018	3,130,909	2,329,906	2,293,867

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

1(b)(ii) Explanatory Notes to Statement of Financial Position

B.1 Investment properties

The increase in the Group’s investment properties as at 30 June 2019 was mainly due to the recognition of the existing operating lease arrangements as right-of-use assets of S\$297.4 million upon the adoption of FRS 116 *Leases* with effect from 1 January 2019, acquisition of Citadines Connect Sydney Airport, the increase in valuation on 30 June 2019 and foreign currency translation differences of S\$2.5 million arising from translating the Group’s investment properties as a result of the appreciation of JPY against SGD, partially offset by the depreciation of EUR and AUD against SGD.

B.2 Investment property under development / other non-current assets

Investment property under development as at 30 June 2019 relates to the reclassification of the costs previously paid for lyf one-north Singapore from “other non-current assets” as at 31 December 2018 upon the possession of the land in January 2019, the additional capital expenditure and interest capitalised in 2019.

Other non-current assets as at 31 December 2018 comprised of the cost of acquisition of 60-year leasehold land for the lyf one-north site, capitalised costs relating to the site and interest incurred on acquisition of the leasehold land.

B.3 Financial derivatives

The financial derivatives relate to the fair value of interest rate swaps (entered into to hedge interest rate risk), fair value of cross currency swaps (entered into to hedge foreign currency risk) and fair value of foreign currency forward contracts (entered into to hedge distribution income).

B.4 Assets held for sale

The assets held for sale as at 31 December 2018 relate to Ascott Raffles Place Singapore.

The decrease in assets held for sale as at 30 June 2019 was due to the completion of the sale of Ascott Raffles Place Singapore on 9 May 2019.

B.5 Trade and other receivables

The increase in the trade and other receivables as at 30 June 2019 was mainly due to higher trade receivables as a result of higher business activities, and prepaid expense.

B.6 Cash and cash equivalents

The increase in the Group’s cash and cash equivalents as at 30 June 2019 was mainly due to the receipt of the output tax on the divestment proceeds of Ascott Raffles Place Singapore, which will be paid to the Inland Revenue Authority of Singapore in August 2019.

B.7 Trade and other payables

The increase in the trade and other payables as at 30 June 2019 was mainly due to the output tax on the divestment proceeds of Ascott Raffles Place Singapore payable in 3Q 2019.

The increase in the trade and other payables was partially offset by the reversal of the S\$5.0 million deposit previously received for Ascott Raffles Place Singapore as at 31 December 2018 upon completion of the divestment in May 2019, and the reversal of the operating lease expense previously accrued on a straight-line basis upon the initial recognition of FRS 116 *Leases* with effect from 1 January 2019.

B.8 Lease liabilities

The lease liabilities as at 30 June 2019 refer to the liabilities arising from the adoption of FRS 116 *Leases* with effect from 1 January 2019.

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B.9 Interest bearing liabilities

	GROUP		TRUST	
	30/06/19 S\$'000	31/12/18 S\$'000	30/06/19 S\$'000	31/12/18 S\$'000
Amount repayable in one year or less or on demand				
- Secured	80,652	69,760	–	–
- Unsecured	498	494	–	–
Less: Unamortised transaction costs	(156)	(117)	–	–
	80,994	70,137	–	–
Amount repayable after one year				
- Secured	687,720	849,503	69,619	216,083
- Unsecured	910,313	995,208	122,660	210,795
Less: Unamortised transaction costs	(9,039)	(9,395)	(2,979)	(2,448)
	1,588,994	1,835,316	189,300	424,430
Total	1,669,988	1,905,453	189,300	424,430

Details of collateral

The borrowings of the Group are generally secured by:

- Mortgage on subsidiaries' investment properties and the assignment of the rights, titles and interests with respect to these properties
- Assignment of rental proceeds from the investment properties and insurance policies relating to these properties
- Pledge of shares of some subsidiaries
- Corporate guarantee from the Trust

Capital management

As at 30 June 2019, the Group's gearing was 32.8%, well below the 45 percent gearing limit allowable under the property funds appendix issued by the Monetary Authority of Singapore. In this regard, the lease liabilities recognised by virtue of FRS 116 were excluded as these operating leases were entered into in the ordinary course of business and were in effect before 1 January 2019. The average cost of debts was 2.1 percent per annum, with an interest cover of 5.2 times. S\$1,479.0 million or 88% of the Group's borrowings are on fixed interest rates, of which S\$20.0 million is due in the next 12 months.

Out of the Group's total borrowings, 1 percent falls due in 2019, 16 percent falls due in 2020, 16 percent falls due in 2021, 25 percent falls due in 2022 and the balance falls due after 2022.

The Manager adopts a proactive capital management strategy and will commence discussions to refinance the loan facilities due in 2020, ahead of their maturity dates.

B.10 Perpetual securities

On 27 October 2014, the Trust issued S\$150.0 million of fixed rate perpetual securities with an initial distribution rate of 5.00% per annum, with the first distribution rate reset falling on 27 October 2019 and subsequent resets occurring every five years thereafter.

On 30 June 2015, the Trust issued S\$250.0 million of fixed rate perpetual securities with an initial distribution rate of 4.68% per annum, with the first distribution rate reset falling on 30 June 2020 and subsequent resets occurring every five years thereafter.

Distributions are payable semi-annually in arrears at the discretion of the Trust and will be non-cumulative. The perpetual securities have no fixed redemption date and redemption is at the option of the Trust in accordance with the terms of issue of the perpetual securities.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

1(c) Consolidated Statement of Cash Flows

	GROUP		GROUP	
	2Q 2019 S\$'000	2Q 2018 S\$'000	YTD Jun 2019 S\$'000	YTD Jun 2018 S\$'000
Operating Activities				
Total return for the period before tax	60,044	64,135	229,841	96,839
<u>Adjustments for:</u>				
Depreciation and amortisation	3,059	3,043	6,075	6,313
(Gain) / loss on disposal of plant and equipment	(3)	8	(13)	(22)
Assets written off	–	13	–	13
Operating lease expense recognised on a straight-line basis	–	775	–	1,551
Finance costs	13,008	11,652	26,379	23,248
Finance income	(388)	(233)	(739)	(601)
Provision for doubtful debts addition / (reversal)	20	(2)	52	(16)
Manager’s management fees payable / paid partially in units	4,383	4,446	8,392	8,410
Unrealised foreign exchange loss	142	6,988	2,158	5,376
Net change in fair value of investment properties and assets held for sale	(9,006)	(26,696)	(144,030)	(26,696)
Net change in fair value of financial derivatives	(600)	(396)	(604)	(282)
Loss upon divestment	–	–	–	488
Share of results of associate	2	14	24	41
Operating profit before working capital changes	70,661	63,747	127,535	114,662
Changes in working capital	7,132	(15,677)	4,391	(25,664)
Cash generated from operations	77,793	48,070	131,926	88,998
Income tax paid	(4,940)	(3,752)	(9,383)	(7,921)
Cash flows from operating activities	72,853	44,318	122,543	81,077
Investing Activities				
Acquisition of plant and equipment	(2,772)	(3,527)	(5,495)	(7,626)
Acquisition of investment properties	(52,235)	–	(58,106)	–
Capital expenditure on investment properties and assets held for sale	(5,736)	(1,205)	(6,181)	(1,332)
Capital expenditure on investment property under development	(536)	–	(2,089)	–
Deposit received for divestment of investment properties	–	–	203	–
Proceeds on disposal of assets held for sale	300,333	–	348,333	90,175
Payment of transaction costs for disposal of assets held for sale	(2,750)	–	(2,750)	–
Interest received	388	233	739	601
Proceeds from sale of plant and equipment	4	14	15	44
Cash flows from / (used in) investing activities	236,696	(4,485)	274,669	81,862
Balance carried forward	309,549	39,833	397,212	162,939

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

1(c) Consolidated Statement of Cash Flows

	GROUP		GROUP	
	2Q 2019 S\$'000	2Q 2018 S\$'000	YTD Jun 2019 S\$'000	YTD Jun 2018 S\$'000
Balance brought forward	309,549	39,833	397,212	162,939
Financing Activities				
Distribution to Unitholders	–	–	(85,848)	(80,183)
Distribution to perpetual securities holders	(9,574)	(9,574)	(9,574)	(9,574)
Dividend paid to non-controlling interests	(703)	(1,806)	(703)	(1,806)
Interest paid ¹	(11,439)	(10,204)	(23,647)	(19,626)
Payment of lease liabilities ¹	(1,816)	(829)	(3,932)	(1,681)
Proceeds from bank borrowings	291,383	64,843	458,483	151,474
Repayment of bank borrowings	(525,619)	(75,155)	(707,861)	(262,843)
Change in restricted cash deposits for bank facilities	6	(115)	(106)	(131)
Payment of transaction costs on bank borrowings	(1,446)	(290)	(1,574)	(290)
Cash flows used in financing activities	(259,208)	(33,130)	(374,762)	(224,660)
Increase / (decrease) in cash and cash equivalents	50,341	6,703	22,450	(61,721)
Cash and cash equivalents at beginning of the period	197,300	188,819	225,516	255,253
Effect of exchange rate changes on balances held in foreign currencies	1,017	(991)	692	999
Cash and cash equivalents at end of the period	248,658	194,531	248,658	194,531
Restricted cash deposits	2,437	2,223	2,437	2,223
Cash and cash equivalents in the Statement of Financial Position	251,095	196,754	251,095	196,754

¹ Increase due to adoption of FRS 116 *Leases*. Please refer to Note A.12 for the interest expense on lease liabilities and paragraph 5 for more details on the impact arising from the adoption of this accounting standard. In 2Q 2018, the payment of operating lease expense was captured under the “Changes in working capital”.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

1(d)(i) Statement of Movements in Unitholders’ Funds

	Note	GROUP		GROUP	
		2Q 2019 S\$’000	2Q 2018 S\$’000	YTD Jun 2019 S\$’000	YTD Jun 2018 S\$’000
<u>Unitholders’ Contribution</u>					
Balance as at beginning of period		1,726,169	1,731,170	1,744,738	1,771,310
New units issued / to be issued					
- Manager’s management fees paid in units		4,382	4,473	8,352	8,459
Distribution to Unitholders		–	–	(22,539)	(44,126)
Balance as at end of period		1,730,551	1,735,643	1,730,551	1,735,643
<u>Operations</u>					
Balance as at beginning of period		1,210,246	1,070,456	1,104,734	1,083,116
Adjustment on initial recognition of FRS 116		–	–	9,802	–
Adjusted balance as at beginning of period		1,210,246	1,070,456	1,114,536	1,083,116
Total return for the period attributable to Unitholders and perpetual securities holders		48,580	46,526	212,545	74,657
Total return attributable to perpetual securities holders		(4,787)	(4,787)	(9,521)	(9,521)
Transfer between reserves		(139)	–	(351)	–
Distribution to Unitholders		–	–	(63,309)	(36,057)
Balance as at end of period		1,253,900	1,112,195	1,253,900	1,112,195
<u>Foreign Currency Translation Reserve</u>					
Balance as at beginning of period		(216,003)	(167,297)	(212,000)	(170,205)
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations		(11,262)	(24,409)	(15,265)	(22,221)
Change in ownership interests in subsidiaries with a change in control		–	–	–	720
Balance as at end of period		(227,265)	(191,706)	(227,265)	(191,706)
<u>Capital Reserve</u>					
Balance as at beginning of period		3,788	2,148	3,576	2,148
Transfer between reserves		139	–	351	–
Balance as at end of period		3,927	2,148	3,927	2,148
<u>Hedging Reserve</u>					
Balance as at beginning of period		918	4,037	3,003	(1,240)
Effective portion of change in fair values of cash flow hedges		(4,955)	3,732	(6,675)	8,367
Net change in fair value of cash flow hedges reclassified to Statement of Total Return		(443)	243	(808)	885
Balance as at end of period		(4,480)	8,012	(4,480)	8,012
Unitholders’ Funds	1(b)(i)	2,756,633	2,666,292	2,756,633	2,666,292
<u>Perpetual Securities</u>					
Balance as at beginning of period		401,861	401,861	397,127	397,127
Total return attributable to perpetual securities holders		4,787	4,787	9,521	9,521
Distribution to perpetual securities holders		(9,574)	(9,574)	(9,574)	(9,574)
Balance as at end of period	1(b)(i)	397,074	397,074	397,074	397,074

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1(d)(i) Statement of Movements in Unitholders’ Funds

	Note	GROUP		GROUP	
		2Q 2019 S\$’000	2Q 2018 S\$’000	YTD Jun 2019 S\$’000	YTD Jun 2018 S\$’000
<u>Non-controlling Interests</u>					
Balance as at beginning of period		89,967	88,436	89,731	89,427
Total return for the period		(1,199)	3,529	380	4,951
Dividend paid to non-controlling interests		(703)	(1,806)	(703)	(1,806)
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations		1,246	1,232	(97)	(1,181)
Balance as at end of period	1(b)(i)	89,311	91,391	89,311	91,391
Equity	1(b)(i)	3,243,018	3,154,757	3,243,018	3,154,757

1(d)(i) Statement of Movements in Unitholders’ Funds

	Note	TRUST		TRUST	
		2Q 2019 S\$’000	2Q 2018 S\$’000	YTD Jun 2019 S\$’000	YTD Jun 2018 S\$’000
<u>Unitholders’ Contribution</u>					
Balance as at beginning of period		1,726,169	1,731,170	1,744,738	1,771,310
New units issued / to be issued					
- Manager’s management fees paid in units		4,382	4,473	8,352	8,459
Distribution to Unitholders		–	–	(22,539)	(44,126)
Balance as at end of period		1,730,551	1,735,643	1,730,551	1,735,643
<u>Operations</u>					
Balance as at beginning of period		214,087	228,786	153,534	166,072
Total return for the period attributable to Unitholders and perpetual securities holders		(3,958)	8,750	124,638	112,255
Total return attributable to perpetual securities holders		(4,787)	(4,787)	(9,521)	(9,521)
Distribution to Unitholders		–	–	(63,309)	(36,057)
Balance as at end of period		205,342	232,749	205,342	232,749
<u>Hedging Reserve</u>					
Balance as at beginning of period		(2,000)	(2,569)	(1,532)	(3,275)
Effective portion of change in fair values of cash flow hedges		(1,180)	(81)	(1,896)	150
Net change in fair value of cash flow hedges reclassified to Statement of Total Return		119	431	367	906
Balance as at end of period		(3,061)	(2,219)	(3,061)	(2,219)
Unitholders’ Funds	1(b)(i)	1,932,832	1,966,173	1,932,832	1,966,173
<u>Perpetual Securities</u>					
Balance as at beginning of period		401,861	401,861	397,127	397,127
Total return attributable to perpetual securities holders		4,787	4,787	9,521	9,521
Distribution to perpetual securities holders		(9,574)	(9,574)	(9,574)	(9,574)
Balance as at end of period	1(b)(i)	397,074	397,074	397,074	397,074
Equity	1(b)(i)	2,329,906	2,363,247	2,329,906	2,363,247

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1(d)(ii) **Details of any change in the units**

	TRUST		TRUST	
	2Q 2019 '000	2Q 2018 '000	YTD Jun 2019 '000	YTD Jun 2018 '000
Balance as at beginning of period	2,172,559	2,157,206	2,164,592	2,149,688
Issue of new units:				
- partial payment of Manager’s management fees in units	2,218	2,347	10,185	9,865
Balance as at end of period	2,174,777	2,159,553	2,174,777	2,159,553

2. **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The figures have not been audited but have been reviewed by our auditors in accordance with Singapore Standard on Review Engagements SSRE 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”.

3. **Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of matter)**

Please refer to the attached review report.

4. **Whether the same accounting policies and methods of computation as in the most recently audited annual financial statements have been applied**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2018.

5. **If there are any changes in the accounting policies and methods of computation required by an accounting standard, what has changed, as well as the reasons for the change**

The Group adopted a number of new standards, amendments to standards and interpretations that are effective for annual periods beginning on or after 1 January 2019. FRS 116 Leases has a more significant impact on the Group as described below.

FRS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (“ROU”) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Group has adopted FRS 116 using the modified retrospective approach. Therefore, the cumulative effect of adopting FRS 116 will be recognised as an adjustment to the opening balance of retained earnings as at 1 January 2019, with no restatement of comparative information. The Group has applied the practical expedient to grandfather the definition of a lease on transition.

The Group has recognised the existing operating lease arrangements at 31 December 2018 as ROU assets with corresponding lease liabilities under FRS 116. ROU assets which meet the definition of investment properties under the principles of FRS 40 *Investment Property* are included as part of investment properties.

The nature of expenses related to these expenses has changed as FRS 116 replaced the straight-line operating lease expense (previously recognised in “direct expenses”) with change in fair value for ROU assets and interest expense on lease liabilities.

No significant impact is expected for other leases in which the Group is a lessor.

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The impact on the Group’s financial statements arising from the adoption of FRS 116 is as follows:

	GROUP
Statement of Financial Position as at 1 Jan 2019	
Increase in investment properties	301,083
Increase in lease liabilities	(301,083)
Decrease in trade and other payables	9,802
Increase in net assets	9,802
Increase in Unitholders’ Funds	9,802

6. Earnings per Unit (“EPU”) and distribution per Unit (“DPU”) for the financial period

In computing the EPU, the weighted average number of Units for the period is used for the computation.

	GROUP		GROUP	
	2Q 2019 S\$’000	2Q 2018 S\$’000	YTD Jun 2019 S\$’000	YTD Jun 2018 S\$’000
Total return for the period attributable to Unitholders and perpetual securities holders	48,580	46,526	212,545	74,657
Less: Total return attributable to perpetual securities holders	(4,787)	(4,787)	(9,521)	(9,521)
Total return for the period attributable to Unitholders	43,793	41,739	203,024	65,136

Earnings per Unit (EPU)	2Q 2019	2Q 2018	YTD Jun 2019	YTD Jun 2018
Weighted average number of units for the period ('000)				
– Basic	2,173,924	2,158,934	2,171,440	2,156,538
– Diluted	2,179,205	2,164,928	2,179,205	2,164,928
EPU (cents) (based on the weighted average number of units for the period)				
– Basic	2.01	1.93	9.35	3.02
– Basic ⁽¹⁾	1.76	1.33	2.88	2.41
– Diluted	2.01	1.93	9.32	3.01

⁽¹⁾ Exclude the effects of the net change in fair value of investment properties, net of tax and non-controlling interests.

In computing the DPU, the number of Units as at the end of each period is used for the computation.

Distribution per Unit (DPU)	2Q 2019	2Q 2018	YTD Jun 2019	YTD Jun 2018
Number of units on issue at end of period ('000)	2,174,777	2,159,553	2,174,777	2,159,553
DPU (cents)	1.98	1.84	3.43	3.19

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7. Net asset value (“NAV”) Per Unit / Net Tangible Assets (“NTA”) Per Unit

	GROUP		TRUST	
	30/06/19	31/12/18	30/06/19	31/12/18
NAV / NTA per Unit ⁽¹⁾ (S\$)	1.27	1.22	0.89	0.88
Adjusted NAV / NTA per Unit (excluding the distributable income to Unitholders) (S\$)	1.23	1.18	0.85	0.84

⁽¹⁾ NAV / NTA per Unit is computed based on net asset value / net tangible asset over the issued Units at the end of the period.

8. Group Performance Review

8(a) Revenue and Gross Profit Analysis – 2Q 2019 vs. 2Q 2018 (Local Currency (“LC”))

		Revenue ¹				Gross Profit ¹				REVPAU Analysis ²		
		2Q 2019	2Q 2018	Better/ (Worse)	%	2Q 2019	2Q 2018	Better/ (Worse)	%	2Q 2019	2Q 2018	Better/ (Worse)
		LC'm	LC'm			LC'm	LC'm			LC/day		
Master Leases												
Australia	AUD	1.9	1.9	–	–	1.8	1.7	0.1	6	–	–	–
France	EUR	5.4	5.7	(0.3)	(5)	4.9	5.6	(0.7)	(13)	–	–	–
Germany	EUR	2.5	2.4	0.1	4	2.4	2.2	0.2	9	–	–	–
Singapore	S\$	4.5	5.4	(0.9)	(17)	3.8	4.6	(0.8)	(17)	–	–	–
Management contracts with minimum guaranteed income												
Belgium	EUR	2.7	2.4	0.3	13	1.1	0.9	0.2	22	84	75	12
Spain	EUR	1.7	1.4	0.3	21	0.9	0.7	0.2	29	128	106	21
United Kingdom	GBP	8.4	7.6	0.8	11	3.8	3.4	0.4	12	144	130	11
Management contracts												
Australia	AUD	6.9	6.3	0.6	10	2.3	2.5	(0.2)	(8)	120	134	(10)
China	RMB	64.9	66.3	(1.4)	(2)	29.1	25.8	3.3	13	455	473	(4)
Indonesia	USD	2.7	2.8	(0.1)	(4)	0.8	0.9	(0.1)	(11)	69	70	(1)
Japan ³	JPY	1,211.7	1,159.2	52.5	5	661.3	663.6	(2.3)	–	13,238	12,203	8
Malaysia	MYR	2.9	3.2	(0.3)	(9)	0.3	0.8	(0.5)	(63)	153	172	(11)
Philippines	PHP	244.2	206.2	38.0	18	86.2	56.0	30.2	54	4,881	4,145	18
Singapore	S\$	6.2	6.1	0.1	2	2.5	2.5	–	–	194	190	2
United States of America	USD	22.4	22.8	(0.4)	(2)	10.1	6.9	3.2	46	240	243	(1)
Vietnam	VND ¹	176.3	168.5	7.8	5	93.2	86.8	6.4	7	1,583	1,528	4

¹ Revenue and Gross Profit figures are stated in millions, except for VND which are stated in billions.

² REVPAU for Japan refers to serviced residences and excludes rental housing. REVPAU for VND are stated in thousands.

³ Revenue and gross profit for Infini Garden have been classified under “Management contracts” category as the master lease arrangement has expired on 30 June 2018. For comparison purpose, the revenue and gross profit for Infini Garden for 2Q 2018 have been reclassified from “Master lease” category to “Management contracts” category.

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8(a) Revenue and Gross Profit Analysis – 2Q 2019 vs. 2Q 2018 (S\$)

	Revenue				Gross Profit				REVPAU Analysis ¹		
	2Q 2019	2Q 2018	Better/ (Worse)		2Q 2019	2Q 2018	Better/ (Worse)		2Q 2019	2Q 2018	Better/ (Worse)
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%	S\$/day	S\$/day	%
Master Leases											
Australia	1.8	1.9	(0.1)	(5)	1.7	1.7	–	–	–	–	–
France	8.3	9.1	(0.8)	(9)	7.4	8.9	(1.5)	(17)	–	–	–
Germany	3.9	3.8	0.1	3	3.7	3.5	0.2	6	–	–	–
Singapore	4.5	5.4	(0.9)	(17)	3.8	4.6	(0.8)	(17)	–	–	–
Sub-total	18.5	20.2	(1.7)	(8)	16.6	18.7	(2.1)	(11)	–	–	–
Management contracts with minimum guaranteed income											
Belgium	4.2	3.9	0.3	8	1.7	1.4	0.3	21	129	120	8
Spain	2.7	2.3	0.4	17	1.4	1.2	0.2	17	197	169	17
United Kingdom	14.8	13.8	1.0	7	6.7	6.2	0.5	8	255	236	8
Sub-total	21.7	20.0	1.7	9	9.8	8.8	1.0	11	209	192	9
Management contracts											
Australia	6.6	6.3	0.3	5	2.2	2.5	(0.3)	(12)	115	135	(15)
China	13.0	13.8	(0.8)	(6)	5.8	5.4	0.4	7	91	99	(8)
Indonesia	3.7	3.7	–	–	1.2	1.3	(0.1)	(8)	94	93	1
Japan ²	14.8	14.1	0.7	5	8.1	8.1	–	–	162	149	9
Malaysia	1.0	1.1	(0.1)	(9)	0.1	0.3	(0.2)	(67)	50	58	(14)
Philippines	6.3	5.2	1.1	21	2.2	1.4	0.8	57	127	105	21
Singapore	6.2	6.1	0.1	2	2.5	2.5	–	–	194	190	2
United States of America	30.5	30.2	0.3	1	13.7	9.1	4.6	51	326	323	1
Vietnam	10.2	9.8	0.4	4	5.4	5.0	0.4	8	92	89	3
Sub-total	92.3	90.3	2.0	2	41.2	35.6	5.6	16	149	149	–
Group	132.5	130.5	2.0	2	67.6	63.1	4.5	7	158	155	2

¹ REVPAU for Japan refers to serviced residences and excludes rental housing.

² Revenue and gross profit for Infini Garden have been classified under “Management contracts” category as the master lease arrangement has expired on 30 June 2018. For comparison purpose, the revenue and gross profit for Infini Garden for 2Q 2018 have been reclassified from “Master lease” category to “Management contracts” category.

Group

Please refer to para 1(a)(ii)(A.1) for analysis of the Group’s revenue and gross profit.

Analysis By Country

A. Master Leases

Australia

Revenue remained stable as compared to 2Q 2018. Gross profit increased by AUD 0.1 million due to lower operation and maintenance expense.

In SGD terms, revenue decreased by S\$0.1 million or 5% due to depreciation of AUD against SGD. Gross profit remained at the same level as 2Q 2018.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

France

Revenue decreased by EUR 0.3 million or 5% as compared to 2Q 2018 due to lower rent upon renewal of certain master leases. Gross profit was higher in 2Q 2018 due to reversal of provision for business tax no longer required of EUR 0.3 million. Excluding this one-off adjustment, gross profit for 2Q 2019 was lower mainly due to lower revenue.

In SGD terms, revenue decreased by S\$0.8 million or 9% due to depreciation of EUR against SGD and lower underlying performance. Gross profit decreased by S\$1.5 million or 17%.

Germany

Revenue increased by EUR 0.1 million or 4% due to higher variable rent earned by Madison Hamburg in 2Q 2019. Gross profit increased by EUR 0.2 million or 9% due to higher revenue and refund of property tax in respect of prior periods.

In SGD terms, revenue increased by S\$0.1 million or 3% due to stronger underlying performance. Gross profit, in SGD terms, increased by S\$0.2 million or 6%.

Singapore

Both revenue and gross profit decreased due to the divestment of Ascott Raffles Place in May 2019. On a same store basis, revenue and gross profit increased by S\$0.2 million, as compared to 2Q 2018, due to higher variable rent earned by Ascott Orchard as a result of stronger corporate and leisure demand.

B. Management contracts with minimum guaranteed income

Belgium

Revenue increased by EUR 0.3 million or 13% and REVPAU increased by 12% in 2Q 2019 due to stronger leisure demand.

Gross profit increased by EUR 0.2 million or 22% due to higher revenue, partially offset by higher staff costs.

In SGD terms, revenue increased by S\$0.3 million or 8% as compared to 2Q 2018 due to stronger underlying performance, partially offset by depreciation of EUR against SGD. Gross profit, in SGD terms, increased by S\$0.3 million or 21%.

Spain

Revenue increased by EUR 0.3 million or 21% and REVPAU increased by 21% due to stronger leisure demand. Gross profit increased by EUR 0.2 million or 29% due to higher revenue.

In SGD terms, revenue increased by S\$0.4 million or 17% and gross profit increased by S\$0.2 million or 17% due to stronger underlying performance, partially offset by depreciation of EUR against SGD.

United Kingdom

Revenue increased by GBP 0.8 million or 11% and REVPAU increased by 11% as compared to 2Q 2018 due to higher corporate and leisure demand.

Gross profit increased by GBP 0.4 million or 12% due to higher revenue, partially offset by higher marketing expense and management fee.

In SGD terms, revenue increased by S\$1.0 million or 7% due to stronger underlying performance, partially offset by depreciation of GBP against SGD. Gross profit, in SGD terms, increased by S\$0.5 million or 8%.

C. Management contracts

Australia

Revenue increased by AUD 0.6 million or 10% due to the acquisition of Citadines Connect Sydney Airport in May 2019. REVPAU decreased by 10% in 2Q 2019 due to the acquisition of Citadines Connect Sydney Airport, which had lower REVPAU as compared to the existing properties in Australia.

On a same store basis, revenue and gross profit decreased mainly due to softer leisure and corporate demand in Melbourne.

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In SGD terms, revenue increased by S\$0.3 million or 5% and gross profit decreased by S\$0.3 million or 12% due to depreciation of AUD against SGD.

China

Revenue decreased by RMB 1.4 million or 2% due to softer corporate demand, mitigated by higher commercial rent. REVPAU decreased by 4% as compared to 2Q 2018. Gross profit increased by RMB 3.3 million or 13% due to the adoption of FRS 116.

Excluding the FRS 116 adjustments, gross profit increased by RMB 2.2 million or 9% due to lower staff costs (arising from reversal of over-provision of prior year’s expense), marketing expense and depreciation expense (arising from fully depreciated assets), partially offset by lower revenue.

In SGD terms, revenue decreased by S\$0.8 million or 6% due to depreciation of RMB against SGD and lower underlying performance. Gross profit increased by S\$0.4 million or 7%.

Indonesia

Both revenue and gross profit decreased by USD 0.1 million, and REVPAU decreased by 1% as compared to 2Q 2018 due to softer demand.

In SGD terms, revenue remained stable due to appreciation of USD against SGD offset by lower underlying performance. Gross profit decreased by S\$0.1 million or 8%.

Japan

Revenue increased by JPY 52.5 million or 5% and REVPAU increased by 8% as compared to 2Q 2018 due to stronger leisure demand for the serviced residences.

Gross profit decreased by JPY 2.3 million due to higher marketing expense, operation & maintenance expense and staff costs, partially offset by higher revenue.

In SGD terms, revenue increased by S\$0.7 million or 5% due to stronger underlying performance. Gross profit remained stable.

Malaysia

Revenue decreased by MYR 0.3 million or 9% and REVPAU decreased by 11% as compared to 2Q 2018 due to keen competition. Gross profit decreased by MYR 0.5 million or 63% due to lower revenue, coupled with higher staff costs (arising from lower reversal of over-provision of prior year’s bonus expense as compared to 2Q 2018).

In SGD terms, revenue decreased by S\$0.1 million or 9% due to lower underlying performance and depreciation of MYR against SGD. Gross profit decreased by S\$0.2 million or 67%.

The Philippines

Revenue increased by PHP 38.0 million or 18% and REVPAU increased by 18% due to higher revenue from the refurbished apartments at Ascott Makati. Gross profit increased by PHP 30.2 million or 54%. Excluding the FRS 116 adjustments, gross profit increased by PHP 20.2 million or 36% due to higher revenue and lower staff costs, partially offset by higher depreciation expense (post renovation) and marketing expense.

In SGD terms, revenue and gross profit increased by S\$1.1 million or 21% and S\$0.8 million or 57% respectively due to stronger underlying performance and appreciation of PHP against SGD.

Singapore

Revenue increased by S\$0.1 million or 2% and REVPAU increased by 2% due to higher market demand.

Gross profit remained stable due to higher revenue, offset by higher marketing expense.

The United States of America

Revenue decreased by USD 0.4 million or 2% and REVPAU decreased by 1% as compared to 2Q 2018 due to softer market demand.

Gross profit increased by USD 3.2 million. Had the FRS 116 adjustments for 2Q 2019 and the straight-line recognition of operating lease expense for 2Q 2018 been excluded, gross profit would have decreased by USD 0.2 million. The lower gross profit was attributed to lower revenue and higher staff costs, partially offset by lower marketing expense.

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In SGD terms, revenue increased by S\$0.3 million or 1% due to appreciation of USD against SGD, partially offset by lower underlying performance. Gross profit increased by S\$4.6 million or 51%.

Vietnam

Revenue increased by VND 7.8 billion or 5% and REVPAU increased by 4% as compared to 2Q 2018 mainly due to stronger corporate and leisure demand, and higher commercial rent. Gross profit increased by VND 6.4 billion or 7% due to higher revenue and lower staff costs, partially offset by higher operation & maintenance expense.

In SGD terms, revenue increased by S\$0.4 million or 4% and gross profit increased by S\$0.4 million or 8% respectively due to stronger underlying performance.

8(b) **Revenue and Gross Profit Analysis – YTD Jun 2019 vs. YTD Jun 2018 (Local Currency (“LC”))**

		Revenue ¹				Gross Profit ¹				REVPAU Analysis ²		
		YTD Jun 2019	YTD Jun 2018	Better/ (Worse)		YTD Jun 2019	YTD Jun 2018	Better/ (Worse)		YTD Jun 2019	YTD Jun 2018	Better/ (Worse)
		LC'm	LC'm	LC'm	%	LC'm	LC'm	LC'm	%	LC/day	LC/day	%
Master Leases												
Australia	AUD	3.8	3.8	–	–	3.6	3.4	0.2	6	–	–	–
France	EUR	10.7	11.2	(0.5)	(4)	9.7	10.6	(0.9)	(8)	–	–	–
Germany	EUR	5.0	4.8	0.2	4	4.6	4.4	0.2	5	–	–	–
Singapore	S\$	10.5	10.6	(0.1)	(1)	9.1	9.1	–	–	–	–	–
Management contracts with minimum guaranteed income												
Belgium	EUR	4.8	4.4	0.4	9	1.6	1.2	0.4	33	74	67	10
Spain	EUR	2.9	2.5	0.4	16	1.4	1.2	0.2	17	106	92	15
United Kingdom	GBP	15.2	13.6	1.6	12	6.2	5.4	0.8	15	131	116	13
Management contracts												
Australia	AUD	14.1	13.3	0.8	6	5.5	5.6	(0.1)	(2)	138	143	(4)
China	RMB	128.4	129.4	(1.0)	(1)	54.5	49.2	5.3	11	452	461	(2)
Indonesia	USD	5.5	5.8	(0.3)	(5)	1.8	1.9	(0.1)	(5)	71	74	(4)
Japan ³	JPY	2,315.7	2,204.0	111.7	5	1,241.8	1,219.3	22.5	2	12,216	11,304	8
Malaysia	MYR	6.4	7.0	(0.6)	(9)	1.1	2.0	(0.9)	(45)	173	189	(9)
Philippines	PHP	492.3	405.7	86.6	21	174.0	110.3	63.7	58	4,965	4,097	21
Singapore	S\$	12.6	11.3	1.3	12	5.2	4.5	0.7	16	197	177	11
United States of America	USD	35.5	36.6	(1.1)	(3)	12.7	6.8	5.9	87	190	196	(3)
Vietnam	VND ¹	349.8	341.7	8.1	2	191.0	185.8	5.2	3	1,587	1,570	1

¹ Revenue and Gross Profit figures are stated in millions, except for VND which are stated in billions.

² REVPAU for Japan refers to serviced residences and excludes rental housing. REVPAU for VND are stated in thousands.

³ Revenue and gross profit for Infini Garden have been classified under “Management contracts” category as the master lease arrangement has expired on 30 June 2018. For comparison purpose, the revenue and gross profit for Infini Garden for YTD Jun 2018 have been reclassified from “Master lease” category to “Management contracts” category.

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8(b) Revenue and Gross Profit Analysis – YTD Jun 2019 vs. YTD Jun 2018 (S\$)

	Revenue				Gross Profit				REVPAU Analysis ¹		
	YTD Jun 2019	YTD Jun 2018	Better/ (Worse)		YTD Jun 2019	YTD Jun 2018	Better/ (Worse)		YTD Jun 2019	YTD Jun 2018	Better/ (Worse)
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%	S\$/day	S\$/day	%
Master Leases											
Australia	3.7	3.9	(0.2)	(5)	3.5	3.6	(0.1)	(3)	–	–	–
France	16.5	18.0	(1.5)	(8)	14.9	17.0	(2.1)	(12)	–	–	–
Germany	7.8	7.7	0.1	1	7.0	7.1	(0.1)	(1)	–	–	–
Singapore	10.5	10.6	(0.1)	(1)	9.1	9.1	–	–	–	–	–
Sub-total	38.5	40.2	(1.7)	(4)	34.5	36.8	(2.3)	(6)	–	–	–
Management contracts with minimum guaranteed income											
Belgium	7.5	7.0	0.5	7	2.5	2.0	0.5	25	114	108	6
Spain	4.4	4.1	0.3	7	2.1	2.0	0.1	5	163	148	10
United Kingdom	26.8	24.7	2.1	9	10.8	9.9	0.9	9	231	211	10
Sub-total	38.7	35.8	2.9	8	15.4	13.9	1.5	11	187	172	9
Management contracts											
Australia	13.6	13.6	–	–	5.3	5.7	(0.4)	(7)	133	147	(10)
China	25.7	26.9	(1.2)	(5)	10.9	10.2	0.7	7	91	96	(5)
Indonesia	7.4	7.6	(0.2)	(3)	2.5	2.6	(0.1)	(4)	97	98	(1)
Japan ²	28.5	26.8	1.7	6	15.3	14.9	0.4	3	150	137	10
Malaysia	2.1	2.4	(0.3)	(13)	0.4	0.7	(0.3)	(43)	57	64	(11)
Philippines	12.8	10.4	2.4	23	4.5	2.8	1.7	61	129	105	23
Singapore	12.6	11.3	1.3	12	5.2	4.5	0.7	16	197	177	11
United States of America	48.2	48.5	(0.3)	(1)	17.2	8.9	8.3	93	258	259	–
Vietnam	20.3	19.8	0.5	3	11.1	10.8	0.3	3	92	91	1
Sub-total	171.2	167.3	3.9	2	72.4	61.1	11.3	19	138	137	1
Group	248.4	243.3	5.1	2	122.3	111.8	10.5	9	146	142	3

¹ REVPAU for Japan refers to serviced residences and excludes rental housing.

² Revenue and gross profit for Infini Garden have been classified under “Management contracts” category as the master lease arrangement has expired on 30 June 2018. For comparison purpose, the revenue and gross profit for Infini Garden for YTD Jun 2018 have been reclassified from “Master lease” category to “Management contracts” category.

For the six months ended 30 June 2019 (“YTD Jun 2019”), revenue increased by S\$5.1 million or 2% as compared to the corresponding period last year (“YTD Jun 2018”). The increase in revenue was mainly due to higher revenue of S\$5.2 million from the existing properties and additional contribution of S\$0.8 million from the acquisition of Citadines Connect Sydney Airport, partially offset by decrease in revenue of S\$0.9 million from the divestment of Ascott Raffles Place Singapore.

REVPAU increased by 3%, from S\$142 in YTD Jun 2018 to S\$146 in YTD Jun 2019.

Gross profit for YTD Jun 2019 increased by S\$10.5 million or 9% as compared to YTD Jun 2018 due to higher revenue and the FRS 116 adjustments. On a same store basis and excluding the FRS 116 adjustments, gross profit increased by S\$0.8 million.

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(c) **Change in value of serviced residence properties and assets held for sale**

The change in value of serviced residence properties and assets held for sale will affect the net asset value but has no impact on the unitholders’ distribution.

Any increase or decrease in value is credited or charged to the Statement of Total Return as net appreciation or depreciation on revaluation of serviced residence properties.

As at 30 June 2019, independent desktop valuations were carried out by HVS. In determining the fair value of the Group’s portfolio, the discounted cash flow approach was used. The valuation method used is consistent with that used for the 31 December 2018 valuation and prior years.

The Group’s portfolio (including investment property under development) was revalued at S\$4,825.6 million, resulting in a surplus of S\$9.0 million which was recognised in the Consolidated Statement of Total Return in 2Q 2019. The surplus resulted mainly from higher valuation of the Group’s properties in Australia, Belgium, Germany and Japan, partially offset by lower valuation from the properties in China, Philippines, Spain and Vietnam. The net impact on the Consolidated Statement of Total Return was S\$5.6 million (net of tax and non-controlling interests).

9. **Variance from forecast**

The Group has not disclosed any forecast to the market.

10. **Commentary of the significant trends and the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

The International Monetary Fund expects the global economy to grow 3.2% in 2019 before increasing to 3.5% in 2020. The global economy remains delicate, as trade tensions continue to weigh on business confidence.

On the back of the uncertain outlook, the US Federal Reserve kept interest rates unchanged at 2.25% to 2.5% in June 2019 and hinted at the possibility of a rate cut. As at 30 June 2019, Ascott Reit’s effective interest costs remained low at 2.1%. The ‘BBB’ investment grade status by Fitch Ratings provides credit assurance to stakeholders, enabling Ascott Reit to continue raising funds at attractive rates and terms.

On the hospitality front, international tourist arrivals grew approximately 4% in the first quarter of 2019, in line with UNWTO’s full year forecast. One of the bright spots was Asia Pacific, which grew 6% from the previous year, fueled by North-East Asia which rose 9%. As demand continues to grow, supply in the lodging space has increased.

With about 40% of gross profit contribution from master leases and management contracts with minimum guaranteed income and a geographically diversified portfolio, Ascott Reit is well positioned to remain competitive and deliver stable returns to Unitholders.

In the longer term, Ascott Reit continues to be positive in the hospitality sector, particularly in Asia Pacific where the demand for business and leisure travel is underpinned by economic growth and an expanding middle-class.

On 3 July 2019, Ascott Reit announced the proposed combination with Ascendas Hospitality Trust. This transaction, which is DPU-accretive on a FY 2018 pro forma basis, will consolidate Ascott Reit’s position as the largest hospitality trust in Asia Pacific, increase the portfolio’s presence in Asia Pacific where growth remains robust, while enhancing income diversification and resilience. This transaction is subject to Unitholders’ approval and is expected to be completed by the end of 2019.

Sources: UNTWO (2019), IMF (2019), Federal Reserve System (2019)

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11. DISTRIBUTIONS

11(a) **Current financial period**

Any distributions declared for the current financial period? Yes
 Period of distribution : Distribution for 1 January 2019 to 30 June 2019

Distribution Type	Distribution Rate (cents)
Taxable Income	0.670
Tax Exempt Income	0.873
Capital	1.888
Total	3.431

11(b) **Corresponding period of the preceding financial period**

Any distributions declared for the corresponding period of the immediate preceding financial period? Yes
 Period of distribution : Distribution for 1 January 2018 to 30 June 2018

Distribution Type	Distribution Rate (cents)
Taxable Income	0.610
Tax Exempt Income	1.344
Capital	1.238
Total	3.192

11(c) Tax rate : **Taxable Income Distribution**

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-Exempt Income Distribution

Tax-exempt income distribution is exempt from tax in the hands of all unitholders.

Capital Distribution

Capital distribution represents a return of capital to unitholders for tax purposes and is therefore not subject to income tax. For unitholders who are liable to tax on profits from sale of Ascott Reit Units, the amount of capital distribution will be applied to reduce the cost base of their Ascott Reit Units for tax purposes.

11(c) Book closure date : 7 August 2019

11(d) Date payable : 29 August 2019

12. If no distribution has been declared/recommended, a statement to that effect

Not applicable.

13. General mandate for Interested Person Transactions (“IPT”)

The Group has not obtained a general mandate from Unitholders for IPT.

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14. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “Listing Manual”), as required by Rule 720(1) of the Listing Manual.

15. Confirmation pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and Trust (comprising the statements of financial position as at 30 June 2019, consolidated statement of total return, consolidated statement of cash flows and statement of movements in unitholders’ funds for the six months ended 30 June 2019, together with their accompanying notes), to be false or misleading in any material aspect.

On behalf of the Board
Ascott Residence Trust Management Limited

Tan Beng Hai
Chairman

Beh Siew Kim
Director

This release 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 other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, 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 current view of management on future events.

BY ORDER OF THE BOARD
Ascott Residence Trust Management Limited
(Company registration no. 200516209Z)
As Manager of Ascott Residence Trust

Karen Chan
Company Secretary
30 July 2019

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

SCHEDULE E ASCOTT REIT AUDITORS’ REPORT IN RESPECT OF ASCOTT REIT 1H 2019 FINANCIAL RESULTS



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Report on review of Interim Financial Information

The Board of Directors
Ascott Residence Trust Management Limited
(in its capacity as Manager of Ascott Residence Trust and its subsidiaries)

Introduction

We have reviewed the accompanying interim financial information (the “Interim Financial Information”) of Ascott Residence Trust (the “Trust”) and its subsidiaries (the “Group”) for the six-month period ended 30 June 2019. The Interim Financial Information consists of the following:

- Statement of Financial Position of the Group as at 30 June 2019;
- Statement of Total Return of the Group for the six-month period ended 30 June 2019;
- Statement of Movements in Unitholders’ Funds of the Group for the six-month period ended 30 June 2019;
- Distribution Statement of the Group for the six-month period ended 30 June 2019;
- Portfolio Statement of the Group as at 30 June 2019;
- Statement of Cash Flows of the Group for the six-month period ended 30 June 2019; and
- Certain explanatory notes to the above Interim Financial Information.

The management of Ascott Residence Management Limited (the “Manager” of Ascott Residence Trust) is responsible for the preparation and presentation of this Interim Financial Information in accordance with the recommendations of the Statement of Recommended Accounting Practice (“RAP”) 7 *Reporting Framework for Unit Trusts* relevant to interim financial information, issued by the Institute of Singapore Chartered Accountants (“ISCA”). Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Chapter 163A) and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

*Ascott Residence Trust and its Subsidiaries
Review of Interim Financial Information
Six-month period ended 30 June 2019*



Other Matter

The Interim Financial Information for the comparative six-month period ended 30 June 2018 have not been audited or reviewed.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the recommendations of RAP 7 *Reporting Framework for Unit Trusts* relevant to interim financial information issued by the ISCA.

Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting Ascott Residence Trust to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and comply with the requirements of Rule 25 of Singapore Code of Take-Overs and Mergers, and for no other purpose. Our report is included in the unaudited financial statements announcement of Ascott Residence Trust for the six-month period ended 30 June 2019 for the information of the Unitholders. We do not assume responsibility to anyone other than the Ascott Residence Trust for our work, for our report, or for the conclusions we have reached in our report.

~~KPMG~~ LLP
KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
30 July 2019

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

SCHEDULE F ASCOTT REIT IFA’S REPORT IN RESPECT OF ASCOTT REIT 1H 2019 FINANCIAL RESULTS



Report from the IFA in respect of the Interim Financial Information

30 July 2019

The Board of Directors (the “**Directors**”) of
Ascott Residence Trust Management Limited
(in its capacity as Manager of Ascott Residence Trust)
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

DBS Trustee Limited
(in its capacity as Trustee of Ascott Residence Trust)
12 Marina Boulevard Level 44
Marina Bay Financial Centre Tower 3
Singapore 018982

Dear Sirs,

Report from the IFA in respect of the Interim Financial Information (as defined herein) made in the announcement which was released by Ascott Residence Trust (the “Ascott Reit”) on SGXNET on 30 July 2019

For the purpose of this letter, capitalised terms not otherwise defined shall have the meaning given to them in the Joint Announcement in relation to the Combination of Ascott Residence Trust and Ascendas Hospitality Trust dated 3 July 2019.

On 3 July 2019, the Ascott Reit Manager and the A-HTRUST REIT Manager jointly announced the Combination, which shall be effected through acquisition by Ascott Reit of all the issued and paid-up stapled units in A-HTRUST by way of a trust scheme of arrangement in compliance with the Code.

On 30 July 2019, the Directors had approved the unaudited financial statements announcement of Ascott Residence Trust and its subsidiaries (the “**Group**”) relating to its financial performance for the six-month period ended 30 June 2019 (the “**Interim Financial Information**”).

We have reviewed the Interim Financial Information and have held discussions with the management of Ascott Reit Manager who are responsible for the preparation of the Interim Financial Information.

Except as disclosed in paragraph 5 of the Interim Financial Information, amongst others notably the adoption of the accounting standard FRS 116, the Interim Financial Information were arrived at on bases consistent with the significant accounting policies and methods of computation adopted by the Group for the preparation of the audited consolidated financial statements of the Group for the full year ended 31 December 2018 (“**FY2018**”), which are set out in the annual report of the Group for FY2018.

We have also considered the Report on review of Interim Financial Information dated 30 July 2019 issued by KPMG LLP, being the external independent auditors of the Group, relating to their review of the Interim Financial Information.

ANZ Corporate Advisory
10 Collyer Quay, #22-00 Ocean Financial Centre, Singapore 049315
[Australia and New Zealand Banking Group Limited ACN 005 357 522 | Singapore Registration Number F00002839E](#)

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Based on the above, we are of the opinion that the Interim Financial Information have been made by the Directors after due and careful enquiry.

For the purpose of this letter, we have relied on and assumed the accuracy and completeness of all information provided to us and/or discussed with us by the Ascott Reit Manager. Save as provided in this letter, we do not express any other opinion or views on the Interim Financial Information. The Directors remain solely responsible for the Interim Financial Information.

The letter is provided to the Directors solely for the purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers and not for any other purpose. We do not accept any responsibility to any person(s), other than the Ascott Reit and the Directors, in respect of, arising out of, or in connection with this letter.

Yours faithfully

For and on behalf of

Australia and New Zealand Banking Group Limited, Singapore Branch

A handwritten signature in black ink, appearing to read 'Sigismund Kwok'.

Sigismund Kwok
Corporate Advisory

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

SCHEDULE G Interests of Directors and Controlling Unitholders

Part 1 – Ascott Reit Concert Party Group Unitholdings in A-HTRUST Securities

Name	Direct		Deemed	
	No. of A-HTRUST Stapled Units	% ²⁰	No. of A-HTRUST Stapled Units	% ²⁰
Part A²⁵				
CapitaLand	–	–	319,760,218 ²⁶	28.1053
Goh Soon Keat Kevin (Director of SCPL)	80,000	0.0070	–	–
ALI	319,760,218	28.1053	–	–
Manohar Khiatani (Director of ALI)	52,000	0.0046	–	–
Yap Neng Tong (Director of ALI)	65,000	0.0057	50,000 ²⁷	0.0044
Citigroup Global Markets Limited	280,100	0.0246	– ²⁸	–
Part B²⁹				
Other members of the Ascott Reit Concert Party Group (“ Additional Ascott Reit Concert Parties ”) ³⁰	289,200	0.0254	2,317,780	0.2037

²⁵ As disclosed in the Joint Announcement.

²⁶ CapitaLand is deemed to have an interest in the unitholdings of its wholly-owned subsidiary, ALI.

²⁷ Yap Neng Tong is deemed to have an interest in the unitholdings of his spouse.

²⁸ On 19 August 2019, Citi announced that, on 16 August 2019, it had returned stock borrowing of 131,100 A-HTRUST Stapled Units.

²⁹ Following the release of the Joint Announcement, the Ascott Reit Manager has made enquiries of certain other parties who are or may be deemed to be acting in concert with the Ascott Reit Manager and the Ascott Reit Trustee in connection with the Combination pursuant to the Code. Similarly, Citi has made enquiries in respect of the other members of its group. The number and percentage of A-HTRUST Securities and Ascott Reit Securities, as the case may be, held by the Ascott Reit Concert Party Group, other than those members of the Ascott Reit Concert Party Group set out in **Part A**, is set out in **Part B**.

³⁰ The “**Additional Ascott Reit Concert Parties**” are certain directors of CapitaLand and its subsidiaries and associates, other than those directors whose unitholdings had otherwise been disclosed in the Joint Announcement.

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Part 2 – Ascott Reit Concert Party Group Dealings in A-HTRUST Securities in Relevant Period

Date of Dealing ³¹	Nature of Dealing	Number of Units (% ²⁰)	Consideration per A-HTRUST Stapled Unit ³²
Dealings by Citi and its affiliates			
30 Apr 2019	Sale of Securities	9,200 (0.001%)	S\$0.93
30 Apr 2019	Stock Loan	9,200 (0.001%)	N/A
2 May 2019	Sale of Securities	20,700 (0.002%)	S\$0.93
2 May 2019	Stock Loan	20,700 (0.002%)	N/A
2 May 2019	Stock Borrow	150,000 (0.013%)	N.A
9 May 2019	Purchase of Securities	3,000 (0.000%)	S\$0.92
9 May 2019	Return of Stock Loan	3,000 (0.000%)	N/A
16 May 2019	Sale of Securities	11,500 (0.001%)	S\$0.90
16 May 2019	Return of Stock Loan	20,700 (0.002%)	N/A
16 May 2019	Return of Stock Loan	6,200 (0.001%)	N/A
17 May 2019	Sale of Securities	10,300 (0.001%)	S\$0.90
21 May 2019	Sale of Securities	32,600 (0.003%)	S\$0.91
22 May 2019	Sale of Securities	14,800 (0.001%)	S\$0.91
23 May 2019	Purchase of Securities	9,900 (0.001%)	S\$0.91
23 May 2019	Sale of Securities	55,400 (0.005%)	S\$0.91
24 May 2019	Purchase of Securities	9,800 (0.001%)	S\$0.90
24 May 2019	Sale of Securities	38,000 (0.003%)	S\$0.90
27 May 2019	Purchase of Securities	9,800 (0.001%)	S\$0.90
27 May 2019	Sale of Securities	3,800 (0.000%)	S\$0.90
27 May 2019	Stock Borrow	100,000 (0.009%)	N.A
28 May 2019	Purchase of Securities	9,800 (0.001%)	S\$0.91
29 May 2019	Purchase of Securities	9,900 (0.001%)	S\$0.90
30 May 2019	Purchase of Securities	9,500 (0.001%)	S\$0.91

³¹ A-HTRUST Stapled Units or Ascott Reit Units, as the case may be, agreed to be disposed pursuant to a trade on the SGX-ST on a trading day are regarded as being disposed on such trading day, notwithstanding that settlement of that trade will occur on a later trading day.

³² Excluding brokerage fee, clearing fee and applicable tax.

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Date of Dealing³¹	Nature of Dealing	Number of Units (%²⁰)	Consideration per A-HTRUST Stapled Unit³²
31 May 2019	Purchase of Securities	9,500 (0.001%)	S\$0.90
3 June 2019	Purchase of Securities	9,700 (0.001%)	S\$0.90
4 June 2019	Purchase of Securities	4,200 (0.000%)	S\$0.90
4 June 2019	Purchase of Securities	9,700 (0.001%)	S\$0.90
6 June 2019	Purchase of Securities	9,300 (0.001%)	S\$0.90
6 June 2019	Return of Stock Borrow	100,000 (0.009%)	N.A
7 June 2019	Purchase of Securities	9,900 (0.001%)	S\$0.93
10 June 2019	Purchase of Securities	10,100 (0.001%)	S\$0.93
11 June 2019	Purchase of Securities	10,100 (0.001%)	S\$0.94
12 June 2019	Purchase of Securities	10,100 (0.001%)	S\$0.94
12 June 2019	Sale of Securities	3,000 (0.000%)	S\$0.93
13 June 2019	Purchase of Securities	10,300 (0.001%)	S\$0.94
13 June 2019	Sale of Securities	56,700 (0.005%)	S\$0.94
14 June 2019	Purchase of Securities	10,300 (0.001%)	S\$0.96
14 June 2019	Sale of Securities	71,100 (0.006%)	S\$0.96
17 June 2019	Purchase of Securities	10,300 (0.001%)	S\$0.97
17 June 2019	Stock Borrow	131,100 (0.012%)	N.A
18 June 2019	Purchase of Securities	10,300 (0.001%)	S\$0.97
18 June 2019	Sale of Securities	27,600 (0.002%)	S\$0.97
19 June 2019	Sale of Securities	18,400 (0.002%)	S\$0.96
19 June 2019	Purchase of Securities	10,200 (0.001%)	S\$0.96
20 June 2019	Purchase of Securities	10,300 (0.001%)	S\$0.97

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Date of Dealing³¹	Nature of Dealing	Number of Units (%²⁰)	Consideration per A-HTRUST Stapled Unit³²
21 June 2019	Purchase of Securities	10,200 (0.001%)	S\$0.98
24 June 2019	Purchase of Securities	10,300 (0.001%)	S\$0.99
25 June 2019	Purchase of Securities	10,200 (0.001%)	S\$0.98
26 June 2019	Purchase of Securities	10,200 (0.001%)	S\$0.98
27 June 2019	Purchase of Securities	29,000 (0.003%)	S\$0.97
27 June 2019	Purchase of Securities	10,200 (0.001%)	S\$0.97
27 June 2019	Return of Stock Borrow	144,700 (0.013%)	N.A
28 June 2019	Purchase of Securities	9,700 (0.001%)	S\$0.98
28 June 2019	Purchase of Securities	81,900 (0.007%)	S\$0.98
28 June 2019	Return of Stock Borrow	5,300 (0.000%)	N.A
1 July 2019	Purchase of Securities	10,200 (0.001%)	S\$0.98
1 July 2019	Purchase of Securities	95,500 (0.008%)	S\$0.98
2 July 2019	Purchase of Securities	159,500 (0.014%)	S\$0.97
2 July 2019	Purchase of Securities	10,300 (0.001%)	S\$0.97
16 August 2019	Return of Stock Borrow	131,100 (0.012%)	N.A
Dealings by Additional Ascott Reit Concert Parties³⁰			
19 June 2019	Sale of Securities	50,000 (0.0044%)	S\$0.96

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Date of Dealing³¹	Nature of Dealing	Type of Derivative	Number of A-HTRUST Stapled Units Referenced	Reference price per A-HTRUST Stapled Unit	Maturity Date
Dealings in derivatives^{32A} referenced to A-HTRUST Securities					
Dealings by Citi and its affiliates					
30 April 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(9,200)	S\$0.93	23 February 2023
2 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(20,700)	S\$0.93	23 February 2023
9 May 2019	Closing out of a Delta 1 Swap	Delta 1 Swap	3,000	S\$0.92	N/A
16 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(11,500)	S\$0.90	23 February 2023
17 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(10,300)	S\$0.90	23 February 2023
21 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(32,600)	S\$0.90	23 February 2023
22 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(14,800)	S\$0.90	23 February 2023
23 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,900	S\$0.91	13 September 2019
23 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(55,400)	S\$0.91	23 February 2023
24 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,800	S\$0.90	13 September 2019
24 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(38,000)	S\$0.90	23 February 2023

^{32A} These refer to dealings in Delta 1 products as defined in the Practice Statement on the Exemption of Connected Fund Managers and Principal Traders under the Code.

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Date of Dealing³¹	Nature of Dealing	Type of Derivative	Number of A-HTRUST Stapled Units Referenced	Reference price per A-HTRUST Stapled Unit	Maturity Date
27 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,800	S\$0.90	13 September 2019
27 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(3,800)	S\$0.90	23 February 2023
28 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,800	S\$0.91	13 September 2019
29 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,900	S\$0.91	13 September 2019
30 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,500	S\$0.91	13 September 2019
31 May 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,500	S\$0.90	13 September 2019
3 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,700	S\$0.90	13 September 2019
4 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,700	S\$0.90	13 September 2019
4 June 2019	Closing out of a Delta 1 Swap	Delta 1 Swap	4,200	S\$0.90	N/A
6 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,300	S\$0.91	13 September 2019
7 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,900	S\$0.93	13 September 2019
10 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,100	S\$0.93	13 September 2019
11 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,100	S\$0.94	13 September 2019

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Date of Dealing³¹	Nature of Dealing	Type of Derivative	Number of A-HTRUST Stapled Units Referenced	Reference price per A-HTRUST Stapled Unit	Maturity Date
12 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,100	S\$0.94	13 September 2019
12 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(3,000)	S\$0.93	23 February 2023
13 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,300	S\$0.95	13 September 2019
13 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(56,700)	S\$0.94	23 February 2023
14 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,300	S\$0.96	13 September 2019
14 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(71,100)	S\$0.96	23 February 2023
17 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,300	S\$0.97	13 September 2019
18 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,300	S\$0.97	13 September 2019
18 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(27,600)	S\$0.96	23 February 2023
19 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,200	S\$0.96	13 September 2019
19 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	(18,400)	S\$0.96	23 February 2023
20 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,300	S\$0.97	13 September 2019
21 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,200	S\$0.98	13 September 2019

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Date of Dealing³¹	Nature of Dealing	Type of Derivative	Number of A-HTRUST Stapled Units Referenced	Reference price per A-HTRUST Stapled Unit	Maturity Date
24 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,300	S\$0.99	13 September 2019
25 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,200	S\$0.98	13 September 2019
26 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,200	S\$0.98	13 September 2019
27 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,200	S\$0.97	13 September 2019
27 June 2019	Closing out of a Delta 1 Swap	Delta 1 Swap	29,000	S\$0.97	N/A
28 June 2019	Entering into a Delta 1 Swap	Delta 1 Swap	9,700	S\$0.98	13 September 2019
28 June 2019	Closing out of a Delta 1 Swap	Delta 1 Swap	81,900	S\$0.98	N/A
1 July 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,200	S\$0.98	13 September 2019
1 July 2019	Closing out of a Delta 1 Swap	Delta 1 Swap	95,500	S\$0.98	N/A
2 July 2019	Entering into a Delta 1 Swap	Delta 1 Swap	10,300	S\$0.97	13 September 2019
2 July 2019	Closing out of a Delta 1 Swap	Delta 1 Swap	159,500	S\$0.97	N/A

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Part 3 – Ascott Reit Concert Party Group Unitholdings in Ascott Reit Securities

Name	Direct		Deemed	
	No. of Ascott Reit Units	% ¹⁹	No. of Ascott Reit Units	% ¹⁹
Part A²⁵				
Ascott Reit Manager	189,586,278	8.7093	–	–
Mr. Tan Beng Hai, Bob (Director of Ascott Reit Manager)	70,938	0.0033	–	–
Ms. Beh Siew Kim (Director of Ascott Reit Manager) ³³	269,837	0.0124	–	–
Mr. Zulkifli Bin Baharudin (Director of Ascott Reit Manager)	84,174	0.0039	–	–
Mr. Sim Juat Quee Michael Gabriel (Director of Ascott Reit Manager)	38,250	0.0018	–	–
Ms. Elaine Carole Young (Director of Ascott Reit Manager)	103,312	0.0047	–	–
Mr. Lee Chee Koon (Director of Ascott Reit Manager)	46,440	0.0021	–	–

³³ In addition, Ms. Beh Siew Kim has been awarded certain contingent awards of Ascott Reit Units under the Ascott Reit Manager’s Performance Unit Plan (“PUP”) and Restricted Unit Plan (“RUP”). The figures below refer to the number of Ascott Reit Units which are the subject of contingent awards but not released under the PUP and RUP. The final number of Ascott Reit Units that will be released could range from 0% to a maximum of 200% of the baseline award under the PUP and from 0% to a maximum of 150% of the baseline award under the RUP:

- (i) PUP: 0 to 680,278;
- (ii) RUP: 0 to 355,614;
- (iii) RUP: 31,038, being the unvested remaining one-third of the awards pursuant to the RUP (“RUP Award”) for 2017; and
- (iv) RUP: 81,527, being the unvested two-thirds of the RUP Award for 2018.

In the case of (i) and (ii), the final number of Ascott Reit Units to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for the PUP and RUP. In the case of (iii) and (iv), on the final vesting, an additional number of Ascott Reit Units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of the RUP will also be released.

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Name	Direct		Deemed	
	No. of Ascott Reit Units	% ¹⁹	No. of Ascott Reit Units	% ¹⁹
Mr. Lim Cho Pin Andrew Geoffrey (Director of Ascott Reit Manager)	25,800	0.0012	–	–
CapitaLand	–	–	979,875,882 ³⁴	45.0141
TAL	476,152,416	21.8738	314,137,188 ³⁵	14.4310
SCPL	314,137,188	14.4310	–	–
Mr. Goh Soon Keat Kevin (Director of SCPL)	107,740	0.0049	–	–
Ms. Yeong Lai Meng (Director of SCPL)	45,150	0.0021	–	–
Mr. Manohar Khatani (Director of ALI)	41,200	0.0019	–	–
Mr. Yap Neng Tong (Director of ALI)	32,000	0.0015	–	–
Citigroup Global Markets Limited	14,800	0.0007	38,700 ³⁶	0.0018
Citigroup Global Markets Inc.	–	–	– ³⁶	–
Part B²⁹				
Additional Ascott Reit Concert Parties ³⁰	2,655,871	0.1221	171,000	0.0079

³⁴ CapitaLand is deemed to have an interest in the unitholdings of its wholly-owned subsidiaries, TAL, SCPL and the Ascott Reit Manager.

³⁵ TAL is deemed to have an interest in the unitholdings of its wholly-owned subsidiary, SCPL.

³⁶ On 19 August 2019, Citi announced that, on 16 August 2019, it had returned stock borrowing of 159,300 Ascott Reit Units and on 9 September 2019, Citi announced that, on 6 September 2019, it had returned stock borrowing of 7,000 Ascott Reit Units.

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Part 4 – Ascott Reit Concert Party Group Dealings in Ascott Reit Securities in Relevant Period

Date of Dealing ³¹	Nature of Dealing	Number of Units (% ¹⁹)	Consideration for each Ascott Reit Unit ³²
Dealings by Citi and its affiliates			
5 April 2019	Purchase of Securities	28,500 (0.001%)	S\$1.18
8 May 2019	Purchase of Securities	35,700 (0.002%)	S\$1.20
14 May 2019	Sale of Securities	10,100 (0.000%)	S\$1.17
14 May 2019	Stock Loan	10,100 (0.000%)	N/A
21 May 2019	Purchase of Securities	33,300 (0.002%)	S\$1.19
24 May 2019	Purchase of Securities	27,600 (0.001%)	S\$1.20
28 May 2019	Purchase of Securities	10,100 (0.000%)	S\$1.22
28 May 2019	Return of Stock Loan	10,100 (0.000%)	N/A
7 June 2019	Purchase of Securities	20,500 (0.001%)	S\$1.26
10 June 2019	Purchase of Securities	8,900 (0.000%)	S\$1.27
10 June 2019	Return of Stock Borrow	125,200 (0.006%)	N.A
20 June 2019	Purchase of Securities	14,800 (0.001%)	S\$1.30
27 June 2019	Sale of Securities	40,600 (0.002%)	S\$1.30
27 June 2019	Return of Stock Borrow	25,900 (0.001%)	N.A
28 June 2019	Sale of Securities	16,400 (0.001%)	S\$1.30
28 June 2019	Stock Borrow	100,000 (0.005%)	N/A
28 June 2019	Stock Borrow	59,300 (0.003%)	N/A
28 June 2019	Stock Borrow	45,700 (0.002%)	N/A
16 August 2019	Return of Stock Borrow	59,300 (0.003%)	N/A
16 August 2019	Return of Stock Borrow	100,000 (0.005%)	N/A
6 September 2019	Return of Stock Borrow	7,000 (0.0000%)	N/A

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Date of Dealing³¹	Nature of Dealing	Number of Units (%¹⁹)	Consideration for each Ascott Reit Unit³²		
Dealings by Additional Ascott Reit Concert Parties³⁰					
15 April 2019	Purchase of Securities	20,000 (0.0009%)	S\$1.21		
Dealings in derivatives^{32A} referenced to Ascott Reit Securities					
Date of Dealing³¹	Nature of Dealing	Type of Derivative	Number of Ascott Reit Units Referenced	Reference Price per Ascott Reit Unit	Maturity Date
Dealings by Citi and its affiliates					
24 May 2019	Entering into of a Delta 1 Swap	Delta 1 Swap	27,600	S\$1.20	23 February 2023
7 June 2019	Entering into of a Delta 1 Swap	Delta 1 Swap	20,500	S\$1.27	23 February 2023
10 June 2019	Entering into of a Delta 1 Swap	Delta 1 Swap	8,900	S\$1.27	23 February 2023
20 June 2019	Entering into of a Delta 1 Swap	Delta 1 Swap	14,800	S\$1.30	23 February 2023
27 June 2019	Closing out of a Delta 1 Swap	Delta 1 Swap	(40,600)	S\$1.30	N/A
28 June 2019	Closing out of a Delta 1 Swap	Delta 1 Swap	(16,400)	S\$1.30	N/A

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SCHEDULE H ADDITIONAL GENERAL INFORMATION

1. ADDITIONAL ARRANGEMENTS

1.1 No Agreement having any Connection with or Dependence upon Combination or A-HTRUST Scheme

As at the Latest Practicable Date, save as disclosed in this Letter, there is no agreement, arrangement or understanding between (a) any member of the Ascott Reit Concert Party Group, and (b) any of the current or recent directors of the A-HTRUST Managers or the A-HTRUST REIT Trustee (acting in its capacity as trustee of A-HTRUST REIT) or any of the current or recent A-HTRUST Stapled Unitholders having any connection with or dependence upon the Combination or the A-HTRUST Scheme.

1.2 No Agreement Conditional upon Outcome of Combination or A-HTRUST Scheme

As at the Latest Practicable Date, save as disclosed in this Letter, there is no agreement, arrangement or understanding between (a) Ascott Reit, the Ascott Reit Manager and the Ascott Reit Trustee, and (b) any of the directors of the A-HTRUST Managers or the A-HTRUST REIT Trustee (acting in its capacity as trustee of A-HTRUST REIT) or any other person in connection with or conditional upon the outcome of the Combination or the A-HTRUST Scheme or otherwise connected with the Combination or the A-HTRUST Scheme.

1.3 Transfer of A-HTRUST Stapled Units

As at the Latest Practicable Date, save as disclosed in this Letter, there is no agreement, arrangement or understanding whereby any A-HTRUST Stapled Units acquired pursuant to the A-HTRUST Scheme will be transferred to any other person.

Ascott Reit, however, reserves the right to transfer any A-HTRUST Stapled Units to any member of the Ascott Reit Concert Party Group or for the purpose of granting security in favour of financial institutions which have extended or shall extend credit facilities to it.

1.4 No Indemnity Arrangements

No member of the Ascott Reit Concert Party Group has entered into any arrangement with any person of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the A-HTRUST Securities or the Ascott Reit Securities which may be an inducement to deal or refrain from dealing in the A-HTRUST Securities or the Ascott Reit Securities.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

1.5 No Payment or Benefit to Directors of A-HTRUST Managers and A-HTRUST REIT Trustee

As at the Latest Practicable Date, save as disclosed in this Letter, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the A-HTRUST Managers or the A-HTRUST REIT Trustee (acting in its capacity as trustee of A-HTRUST REIT) or any of their related corporations (within the meaning of Section 6 of the Companies Act, Chapter 50 of Singapore) as compensation for loss of office or otherwise in connection with the A-HTRUST Scheme.

1.6 Service Contracts of Directors of Ascott Reit Manager

As at the Latest Practicable Date, save as disclosed in this Letter, there is no agreement, arrangement or understanding between (a) any member of the Ascott Reit Concert Party Group, and (b) any director of the Ascott Reit Manager, whereby the emoluments received or to be received by the directors of the Ascott Reit Manager will be varied or affected by the A-HTRUST Scheme.

2. OTHER DISCLOSURES IN RELATION TO A-HTRUST

2.1 Material Changes in Financial Position of A-HTRUST

As at the Latest Practicable Date, save in relation to and in connection with the Combination and the A-HTRUST Scheme (including financing the Combination and the A-HTRUST Scheme and the costs and expenses incurred or to be incurred in connection with the Combination and the A-HTRUST Scheme) and as disclosed in the Scheme Document and any other information which is publicly available (including, without limitation, the announcements released by the A-HTRUST Managers, on behalf of A-HTRUST, on SGXNET), there has not, to the knowledge of the Ascott Reit Manager, been any change in the financial position or prospects of A-HTRUST since the date of the last balance-sheet laid before the A-HTRUST Stapled Unitholders in a general meeting.

2.2 Transfer Restrictions of A-HTRUST Stapled Units

Subject to and upon the amendment of the A-HTRUST Trust Deeds in the manner set out in the Letter to A-HTRUST Stapled Unitholders, the A-HTRUST Trust Deeds do not contain any restrictions on the right to transfer the A-HTRUST Stapled Units in connection with the Merger or the A-HTRUST Scheme.

3. MARKET QUOTATIONS FOR A-HTRUST STAPLED UNITS

3.1 Closing Prices on A-HTRUST Stapled Units

The closing prices of the A-HTRUST Stapled Units on the SGX-ST, as reported by Bloomberg L.P., on (a) 2 July 2019, being the last Market Day immediately preceding the Joint Announcement Date (“**Last Trading Day**”) was S\$0.98, and (b) the Latest Practicable Date was S\$1.08.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

The closing prices and aggregate trading volume of the A-HTRUST Stapled Units on the SGX-ST as at and for the months ended 2 February 2019 to 2 July 2019 (being the six calendar months preceding the Joint Announcement Date), as reported by Bloomberg L.P., are set out below:

Date/Month Ended ³⁷	Last Transacted Price (S\$)	Volume of A-HTRUST Stapled Units Traded (million)
1 February 2019	0.84	16.9
1 March 2019	0.86	11.9
2 April 2019	0.88	13.9
2 May 2019	0.93	20.6
31 May 2019	0.90	19.7
2 July 2019	0.98	26.5

3.2 Highest and Lowest Prices of the A-HTRUST Stapled Units

During the period commencing on 3 January 2019 to (and including) the Latest Practicable Date, the highest and lowest closing prices of the A-HTRUST Stapled Units on the SGX-ST, as reported by Bloomberg L.P., are as follows:

- (a) highest closing price: S\$1.09 on 10 September 2019; and
- (b) lowest closing price: S\$0.78 on 3 January 2019.

4. MARKET QUOTATIONS FOR ASCOTT REIT UNITS

4.1 Closing Prices on Ascott Reit Units

The closing prices of the Ascott Reit Units on the SGX-ST, as reported by Bloomberg L.P., on (a) the Last Trading Day was S\$1.31, and (b) the Latest Practicable Date was S\$1.30.

³⁷ Where the second calendar day of each such month is not a Market Day, the immediately preceding Market Day has instead been set out.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

The closing prices and aggregate trading volume of the Ascott Reit Units on the SGX-ST as at and for the months ended 2 February 2019 to 2 July 2019 (being the six calendar months preceding the Joint Announcement Date), as reported by Bloomberg L.P., are set out below:

Date/Month Ended ³⁷	Last Transacted Price (S\$)	Volume of Ascott Reit Units Traded (million)
1 February 2019	1.20	67.9
1 March 2019	1.14	54.6
2 April 2019	1.19	73.3
2 May 2019	1.20	54.7
31 May 2019	1.24	67.5
2 July 2019	1.31	79.2

4.2 Highest and Lowest Prices of the Ascott Reit Units

During the period commencing 3 January 2019 to (and including) the Latest Practicable Date, the highest and lowest closing prices of the Ascott Reit Units on the SGX-ST, as reported by Bloomberg L.P., are as follows:

- (a) highest closing price: S\$1.33 on 2 August 2019; and
- (b) lowest closing price: S\$1.09 on 3 January 2019.

5. CONSENTS AND DOCUMENTS FOR INSPECTION

5.1 Consent from Ascott Reit Financial Adviser and HVS

Citi and HVS have given and have not withdrawn their written consent to the issue of this Letter with the inclusion of their names and all references thereto to their names in the form and context in which they appear in this Letter.

5.2 Consent from Ascott Reit Auditor

The Ascott Reit Auditor has given and has not withdrawn its written consent to the issue of this Letter with the inclusion of its name and its report dated 30 July 2019 in respect of the Ascott Reit 1H 2019 Financial Results as set out in **Schedule E** to this Letter and all references thereto in the form and context in which they appear in this Letter.

5.3 Consent from Ascott Reit IFA

The Ascott Reit IFA has given and has not withdrawn its written consent to the issue of this Letter with the inclusion of its name and its report dated 30 July 2019 in respect of the Ascott Reit 1H 2019 Financial Results as set out in **Schedule F** to this Letter and all references thereto in the form and context in which they appear in this Letter.

APPENDIX B – OFFEROR’S LETTER TO THE A-HTRUST STAPLED SECURITYHOLDERS

5.4 Documents for Inspection

Copies of the following documents are available for inspection at the registered office of the Ascott Reit Manager at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912³⁸ during normal business hours from the date of this Letter up to the Effective Date:

- (a) the Implementation Agreement;
- (b) the Deeds of Irrevocable Undertakings;
- (c) the Ascott Reit Trust Deed, the Ascott BT Trust Deed and the Ascott Reit-BT Stapling Deed;
- (d) the annual reports of Ascott Reit for FY2016, FY2017 and FY2018;
- (e) the Ascott Reit 1H 2019 Financial Results;
- (f) the report from the Ascott Reit Auditor in respect of the Ascott Reit 1H 2019 Financial Results;
- (g) the report from the Ascott Reit IFA in respect of the Ascott Reit 1H 2019 Financial Results;
- (h) the valuation reports by HVS with respect to the properties of the Ascott Reit Group as at 30 June 2019 referred to in **paragraph 6.1 to Schedule A, Part 1**; and
- (i) the letters of consent referred to in **paragraphs 5.1 to 5.3 of this Schedule H**.

³⁸ Prior appointment with the Ascott Reit Manager is required. Please contact the Ascott Reit Investor Relations Team (Tel: +65 6713 2888).

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

1. DIRECTORS

The names, addresses and designations of the A-HTRUST Directors as at the Latest Practicable Date are as follows:

Name	Address	Designation
Mr. Miguel Ko	c/o 1 Fusionopolis Place #10-10 Galaxis Singapore 138522	Chairman and Non-Executive Director
Mr. Chia Kim Huat	c/o 1 Fusionopolis Place #10-10 Galaxis Singapore 138522	Lead Independent Director
Mr. Manohar Khiatani	c/o 1 Fusionopolis Place #10-10 Galaxis Singapore 138522	Non-Executive Director
Mr. Tan Juay Hiang	c/o 1 Fusionopolis Place #10-10 Galaxis Singapore 138522	Chief Executive Officer
Mr. Robert Hecker	c/o 1 Fusionopolis Place #10-10 Galaxis Singapore 138522	Independent Director
Mr. Michael Issenberg	c/o 1 Fusionopolis Place #10-10 Galaxis Singapore 138522	Non-Executive Director
Ms. Deborah Lee Siew Yin	c/o 1 Fusionopolis Place #10-10 Galaxis Singapore 138522	Independent Director
Mr. Patrick Lee Fook Yau	c/o 1 Fusionopolis Place #10-10 Galaxis Singapore 138522	Independent Director
Mr. Willy Shee Ping Yah	c/o 1 Fusionopolis Place #10-10 Galaxis Singapore 138522	Independent Director

2. PRINCIPAL ACTIVITIES

A-HTRUST is a stapled group comprising A-HTRUST REIT and A-HTRUST BT, established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate used predominantly for hospitality purposes, as well as real estate-related assets in connection with the foregoing. A-HTRUST was listed on the SGX-ST on 27 July 2012. Each A-HTRUST REIT Unit is stapled to one (1) A-HTRUST BT Unit under the terms of the A-HTRUST Stapling Deed. As at the Joint Announcement Date, A-HTRUST's portfolio comprised 14 properties with over 4,700 rooms in seven (7) cities across four (4) countries in the Asia Pacific region.

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

3. A-HTRUST STAPLED SECURITIES

3.1 A-HTRUST Stapled Securities

As at the Latest Practicable Date, A-HTRUST has 1,137,723,271 A-HTRUST Stapled Securities in issue. On 13 May 2019, 1,741,978 A-HTRUST Stapled Securities were issued as payment of the management fees payable by A-HTRUST to the A-HTRUST REIT Manager and A-HTRUST BT Trustee-Manager under the A-HTRUST REIT Trust Deed and A-HTRUST BT Trust Deed respectively. This comprised 976,550 A-HTRUST Stapled Securities that were issued to ALI (as the nominee of the A-HTRUST REIT Manager) and 765,428 A-HTRUST Stapled Securities that were issued to ALI (as the nominee of the A-HTRUST BT Trustee-Manager). On 5 August 2019, 976,340 A-HTRUST Stapled Securities were issued as payment of the management fees payable by A-HTRUST to the A-HTRUST REIT Manager and A-HTRUST BT Trustee-Manager under the A-HTRUST REIT Trust Deed and A-HTRUST BT Trust Deed respectively. This comprised 302,879 A-HTRUST Stapled Securities that were issued to ALI (as the nominee of the A-HTRUST REIT Manager) and 673,461 A-HTRUST Stapled Securities that were issued to ALI (as the nominee of the A-HTRUST BT Trustee-Manager). Save for the foregoing issuances, A-HTRUST has not issued any A-HTRUST Stapled Securities since 31 March 2019.

3.2 Rights of the A-HTRUST Stapled Securityholders in respect of Capital, Distributions and Voting

Selected texts of the A-HTRUST Trust Deeds relating to the rights of the A-HTRUST Stapled Securityholders in respect of capital, distributions and voting have been extracted and reproduced in Appendix E to this Scheme Document.

3.3 Convertible Instruments

As at the Latest Practicable Date, there are no outstanding A-HTRUST Convertible Securities or instruments convertible into, rights to subscribe for, and options in respect of, A-HTRUST Stapled Securities or securities which carry voting rights affecting A-HTRUST Stapled Securities.

4. FINANCIAL INFORMATION

4.1 Statement of Total Returns

Set out below is certain financial information extracted from the audited consolidated financial statements of the A-HTRUST Group for FY2017, FY2018 and FY ended 31 March 2019, and the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019.

The financial information for FY2017, FY2018 and FY ended 31 March 2019 should be read in conjunction with the audited consolidated financial statements of the A-HTRUST Group and the accompanying notes as set out in the annual reports of A-HTRUST for FY2017, FY2018 and FY ended 31 March 2019 respectively and the financial information for 1Q2019 should be read in conjunction with the unaudited consolidated financial statements of the A-HTRUST Group and the accompanying notes as set out in the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019.

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

	A-HTRUST Group			
	FY ended			
	31 March			
	1Q2019	2019	FY2018	FY2017
	\$'000	\$'000	\$'000	\$'000
Gross revenue	46,511	193,773	224,730	224,432
Property expenses	(25,260)	(107,056)	(129,014)	(125,265)
Net property income	21,251	86,717	95,716	99,167
Amortisation of prepaid land lease	–	–	(997)	(1,206)
Depreciation	(5,519)	(23,672)	(26,950)	(26,421)
Gain on disposal of China Group	–	148,756	–	–
Fund Manager's fees	(2,215)	(8,467)	(8,644)	(8,626)
Trustee's fees	(166)	(711)	(674)	(662)
Foreign exchange loss, net	(977)	(7,038)	(8,455)	(4,152)
Other trust (expenses)/income	(388)	(1,728)	2,090	(2,100)
Finance income	197	814	919	897
Finance expenses	(3,128)	(11,624)	(15,338)	(17,704)
Net income	9,055	183,047	37,667	39,193
Share of results of joint venture (net of tax)	–	–	–	(3)
Change in fair value of investment properties	–	65,717	21,957	9,385
Change in fair value of derivative financial instruments	(845)	267	571	8,115
Total return for the period/year before income tax	8,210	249,031	60,195	56,690
Income tax expense	(1,293)	(14,846)	(10,761)	(8,150)
Total return for the period/year after income tax	6,917	234,185	49,434	48,540
Profit for the period/year attributable to:				
A-HTRUST Stapled Securityholders	6,898	234,053	49,434	48,540
Non-controlling interests	19	132	–	–
Earnings per A-HTRUST Stapled Security (cents)				
Basic	0.61	20.66	4.38	4.33
Diluted	0.61	20.66	4.38	4.33
Distribution per A-HTRUST Stapled Security (cents)	1.28	6.03	5.86	5.68

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

4.2 Distribution per A-HTRUST Stapled Security

Set out below is also a summary of the distribution per A-HTRUST Stapled Security declared in respect of each of FY2017, FY2018, FY ended 31 March 2019 and 1Q2019. This information was extracted from the annual reports of A-HTRUST for FY2017, FY2018 and FY ended 31 March 2019 and the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019.

	A-HTRUST			
	1Q2019	FY ended 31 March 2019	FY2018	FY2017
	\$'000	\$'000	\$'000	\$'000
Distribution per A-HTRUST Stapled Security (cents)	1.28	6.03	5.86	5.68

Distributions from A-HTRUST comprise distributions from A-HTRUST REIT and A-HTRUST BT. A-HTRUST's distribution policy is to distribute at least 90% of its distributable income to the A-HTRUST Stapled Securityholders. Both A-HTRUST REIT and A-HTRUST BT distributions will be made on a semi-annual basis for the periods ending 30 September and 31 March. Distributions, when paid, will be in Singapore dollars.

4.3 Consolidated Statement of Financial Position

The audited consolidated statement of financial position of the A-HTRUST Group as at 31 March 2019, being the latest published audited consolidated statement of financial position of the A-HTRUST Group prior to the Latest Practicable Date, is set out below.

The audited consolidated statement of financial position of the A-HTRUST Group as at 31 March 2019 should be read in conjunction with the audited consolidated financial statements of the A-HTRUST Group and the accompanying notes as set out in the annual report of A-HTRUST for FY ended 31 March 2019.

	A-HTRUST Group As at 31 March 2019 \$'000
Non-current assets	
Investment properties	1,212,681
Property, plant and equipment	612,225
Derivative financial instruments	8,774
Deferred tax assets	4,540
Other non-current assets	4,854
	1,843,074

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

	A-HTRUST Group As at 31 March 2019 \$'000
Current assets	
Inventories	333
Trade and other receivables	17,635
Prepayments	4,130
Cash and cash equivalents	72,025
Derivative financial instruments	742
Other current assets	426
	<hr/>
	95,291
	<hr/>
Total assets	1,938,365
	<hr/>
Non-current liabilities	
Other payables	378
Rental and other deposits	16,914
Deferred income	5,892
Interest-bearing borrowings	493,682
Deferred tax liabilities	72,477
Derivative financial instruments	3,281
Medium term notes	144,892
	<hr/>
	737,516
	<hr/>
Current liabilities	
Trade and other payables	36,819
Deferred income	1,903
Interest-bearing borrowings	5,000
Derivative financial instruments	15
Income tax payable	1,457
	<hr/>
	45,194
	<hr/>
Total liabilities	782,710
	<hr/>
Net assets	1,155,655
	<hr/> <hr/>

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

	A-HTRUST Group As at 31 March 2019 \$'000
Represented by:	
A-HTRUST Stapled Securityholders' funds	
A-HTRUST Stapled Securities in issue	981,115
Issue costs	(15,761)
Management fees payable in A-HTRUST Stapled Securities	1,527
Revenue reserve	71,788
Foreign currency translation reserve	(43,977)
Asset revaluation reserve	159,625
Hedging reserve	(681)
	1,153,636
Non-controlling interests	2,019
	1,155,655
A-HTRUST Stapled Securities issued and issuable ('000)	1,136,747
Net asset value per A-HTRUST Stapled Security (cents)	1.02

Copies of the annual reports of A-HTRUST for FY2017, FY2018 and FY ended 31 March 2019 and the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019 are available for inspection at the registered office of the A-HTRUST Managers at 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522 during normal business hours from the date of this Scheme Document up to the Effective Date¹.

4.4 Material Changes in Financial Position

Save as disclosed in this Scheme Document, the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019 and any other information on the A-HTRUST Group which is publicly available (including without limitation, the announcements released by the A-HTRUST Managers, on behalf of A-HTRUST, on SGXNET), there have been no material changes in the financial position of A-HTRUST since 31 March 2019, being the date of the last published audited consolidated financial statements of the A-HTRUST Group.

¹ Prior appointment with the A-HTRUST Managers is required. Please contact Mr. Chee Kum Tin, Investor Relations (Tel: +65 6508 4927).

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

4.5 Significant Accounting Policies

The significant accounting policies for the A-HTRUST Group are set out in the notes to the audited consolidated financial statements of the A-HTRUST Group for FY ended 31 March 2019 and the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019. Save as disclosed in the notes to the audited consolidated financial statements of the A-HTRUST Group for FY ended 31 March 2019 and the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019, there are no significant accounting policies or any matter from the notes of the financial statements of the A-HTRUST Group which are of any major relevance for the interpretation of the financial statements of the A-HTRUST Group.

4.6 Changes in Accounting Policies

As at the Latest Practicable Date, there are no changes in the accounting policies of the A-HTRUST Group which will cause the figures disclosed in Paragraph 4 of this Appendix C not to be comparable to a material extent.

5. DISCLOSURE OF INTERESTS

5.1 Holdings of Ascott Reit Units and Ascott Reit Convertible Securities by A-HTRUST

As at the Latest Practicable Date, none of the A-HTRUST Group Entities owns, controls or has agreed to acquire any Ascott Reit Units or any Ascott Reit Convertible Securities.

5.2 Interests of A-HTRUST Directors in Ascott Reit Units and Ascott Reit Convertible Securities

As at the Latest Practicable Date, and save as disclosed below and in this Scheme Document, none of the A-HTRUST Directors has any direct or indirect interests in the Ascott Reit Units or the Ascott Reit Convertible Securities.

Director	Direct Interest		Deemed Interest	
	No. of Ascott Reit Units	% ⁽¹⁾	No. of Ascott Reit Units	%
Mr. Manohar Khiatani	41,200	0.0019	–	–

Note:

(1) All references to percentage shareholding of the issued units of Ascott Reit in this Paragraph 5.2 are based on the total issued Ascott Reit Units as at the Latest Practicable Date, being 2,176.8 million Ascott Reit Units in issue.

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

5.3 Interests of A-HTRUST Directors in A-HTRUST Stapled Securities

As at the Latest Practicable Date, based on the Register of Directors' Stapled Securityholdings maintained by the A-HTRUST Managers, the interests in A-HTRUST Stapled Securities held by the A-HTRUST Directors are set out below.

Directors	Direct Interest		Deemed Interest	
	No. of A-HTRUST Stapled Securities	% ⁽¹⁾	No. of A-HTRUST Stapled Securities	% ⁽¹⁾
Mr. Miguel Ko	2,000,000 ⁽²⁾	0.1758	–	–
Mr. Chia Kim Huat	115,000	0.0101	–	–
Mr. Manohar Khiatani	52,000	0.0046	–	–
Mr. Tan Juay Hiang	125,000 ⁽³⁾	0.0110	–	–
Mr. Robert Hecker	–	–	–	–
Mr. Michael Issenberg	–	–	–	–
Ms. Deborah Lee Siew Yin	–	–	–	–
Mr. Patrick Lee Fook Yau	–	–	–	–
Mr. Willy Shee Ping Yah	–	–	162,000 ⁽⁴⁾	0.0142

Notes:

- (1) All references to percentage shareholding of the issued stapled securities of A-HTRUST in this Paragraph 5.3 are based on the total issued A-HTRUST Stapled Securities as at the Latest Practicable Date, being 1,137,723,271 A-HTRUST Stapled Securities in issue.
- (2) Mr Miguel Ko holds 2,000,000 A-HTRUST Stapled Securities jointly with his spouse.
- (3) On 23 August 2019, Mr. Tan Juay Hiang was awarded 274,347 contingent baseline unit awards comprising (a) 102,880 awards under the A-HTRUST Managers Performance Unit Plan (“PUP”); and (b) 171,467 awards under the A-HTRUST Managers Restricted Unit Plan (“RUP”). The aggregate number of A-HTRUST Stapled Securities underlying the awards is 462,960. The vesting of the awards will depend on the achievement of pre-determined targets at the end of the respective performance periods under the PUP and RUP. On final vesting, an additional number of A-HTRUST Stapled Securities of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of the RUP, will also be released. No new A-HTRUST Stapled Securities will be issued as a result of the PUP and RUP. The PUP, RUP and awards granted thereunder are not affected by the A-HTRUST Scheme.
- (4) Mr. Willy Shee Ping Yah is deemed interested in the 162,000 A-HTRUST Stapled Securities held by his spouse.

5.4 Interests of Substantial Stapled Securityholders in A-HTRUST Stapled Securities

As at the Latest Practicable Date, based on the Register of Substantial Securityholders maintained by A-HTRUST, the interests of the substantial securityholders of A-HTRUST in the A-HTRUST Stapled Securities are set out below.

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

Substantial Securityholders	Direct Interest		Deemed Interest	
	No. of A-HTRUST Stapled Securities	%(¹)	No. of A-HTRUST Stapled Securities	%(¹)
Temasek Holdings (Private) Limited ⁽²⁾	–	–	334,324,718	29.38
Tembusu Capital Pte. Ltd. ⁽²⁾	–	–	319,760,218	28.10
Bartley Investments Pte. Ltd. ⁽²⁾	–	–	319,760,218	28.10
Mawson Peak Holdings Pte. Ltd. ⁽²⁾	–	–	319,760,218	28.10
Glenville Investments Pte. Ltd. ⁽²⁾	–	–	319,760,218	28.10
TJ Holdings (III) Pte. Ltd. ⁽²⁾	–	–	319,760,218	28.10
CLA Real Estate Holdings Pte. Ltd (f.k.a. Ascendas-Singbridge Pte. Ltd.) ⁽²⁾	–	–	319,760,218	28.10
CapitaLand Limited ⁽²⁾	–	–	319,760,218	28.10
Ascendas Pte Ltd ⁽²⁾	–	–	319,760,218	28.10
Ascendas Land International Pte Ltd	319,760,218	28.10	–	–
Tang Yigang (a.k.a. Gordon Tang) ⁽³⁾	77,192,800	6.78	–	–

Notes:

- (1) All references to percentage shareholding of the issued stapled securities of A-HTRUST in this Paragraph 5.4 are based on the total issued A-HTRUST Stapled Securities as at the Latest Practicable Date, being 1,137,723,271 A-HTRUST Stapled Securities in issue.
- (2) Temasek Holdings (Private) Limited (“**Temasek**”), Tembusu Capital Pte. Ltd., Bartley Investments Pte. Ltd., Mawson Peak Holdings Pte. Ltd., Glenville Investments Pte. Ltd., TJ Holdings (III) Pte. Ltd., CLA Real Estate Holdings Pte. Ltd (f.k.a. Ascendas-Singbridge Pte. Ltd.), CapitaLand Limited and Ascendas Pte Ltd are deemed to have an interest in the A-HTRUST Stapled Securities held by ALI. Temasek is also deemed to have an interest in the A-HTRUST Stapled Securities in which other subsidiaries and associated companies of Temasek hold or have deemed interests.
- (3) Based on information available to the A-HTRUST Managers as at the Latest Practicable Date.

5.5 Interests of A-HTRUST Managers in A-HTRUST Stapled Securities

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, none of the A-HTRUST Managers and their associates have any direct or indirect interests in the A-HTRUST Stapled Securities.

6. DEALINGS DISCLOSURE

6.1 Dealings in Ascott Reit Units and Ascott Reit Convertible Securities by the A-HTRUST Group

None of the A-HTRUST Group Entities has dealt for value in the Ascott Reit Units or the Ascott Reit Convertible Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

6.2 Dealings in Ascott Reit Units and Ascott Reit Convertible Securities by the A-HTRUST Directors

None of the A-HTRUST Directors has dealt for value in the Ascott Reit Units or the Ascott Reit Convertible Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.3 Dealings in A-HTRUST Stapled Securities by the A-HTRUST Directors

Save as disclosed in Paragraph 5.3 above, none of the A-HTRUST Directors has dealt for value in any A-HTRUST Stapled Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.4 Dealings in A-HTRUST Convertible Securities by the A-HTRUST Directors

Save as disclosed in Paragraph 5.3 above, none of the A-HTRUST Directors has dealt for value in any A-HTRUST Convertible Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

7. INTERESTS OF THE A-HTRUST IFA

7.1 Interests of the A-HTRUST IFA in Ascott Reit Units and Ascott Reit Convertible Securities

As at the Latest Practicable Date, none of the A-HTRUST IFA, its related corporations or funds whose investments are managed by the A-HTRUST IFA or its related corporations on a discretionary basis, owns or controls any Ascott Reit Units or Ascott Reit Convertible Securities.

7.2 Dealings in Ascott Reit Units and Ascott Reit Convertible Securities by the A-HTRUST IFA

None of the A-HTRUST IFA, its related corporations or funds whose investments are managed by the A-HTRUST IFA or its related corporations on a discretionary basis has dealt for value in the Ascott Reit Units or Ascott Reit Convertible Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

7.3 Interests of the A-HTRUST IFA in A-HTRUST Stapled Securities and A-HTRUST Convertible Securities

As at the Latest Practicable Date, none of the A-HTRUST IFA, its related corporations or funds whose investments are managed by the A-HTRUST IFA or its related corporations on a discretionary basis, owns or controls any A-HTRUST Stapled Securities or A-HTRUST Convertible Securities.

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

7.4 Dealings in A-HTRUST Stapled Securities and A-HTRUST Convertible Securities by the A-HTRUST IFA

None of the A-HTRUST IFA, its related corporations or funds whose investments are managed by the A-HTRUST IFA or its related corporations on a discretionary basis has dealt for value in the A-HTRUST Stapled Securities or A-HTRUST Convertible Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

8. ARRANGEMENTS AFFECTING A-HTRUST DIRECTORS

8.1 No Payment or Benefit to A-HTRUST Directors

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any A-HTRUST Director or to any director of any other corporation which, by virtue of Section 6 of the Companies Act, is deemed to be related to the A-HTRUST Managers as compensation for loss of office or otherwise in connection with the A-HTRUST Scheme.

8.2 No Agreement Conditional upon Outcome of the A-HTRUST Scheme

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, there is no agreement, arrangement or understanding made between any of the A-HTRUST Directors and any other person in connection with or conditional upon the outcome of the A-HTRUST Scheme.

8.3 No Material Personal Interest in Material Contracts

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, there are no material contracts entered into by the Ascott Reit Manager and Ascott Reit Trustee in which any A-HTRUST Director has a material personal interest, whether direct or indirect.

9. MATERIAL LITIGATION

As at the Latest Practicable Date:

- (a) none of the A-HTRUST Group Entities is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially or adversely affect the financial position of the A-HTRUST Group taken as a whole; and
- (b) the A-HTRUST Directors are not aware of any proceedings pending or threatened against any of the A-HTRUST Group Entities or of any facts likely to give rise to any proceedings which might materially or adversely affect the financial position of the A-HTRUST Group taken as a whole.

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

10. GENERAL DISCLOSURE

10.1 Financial Statements for FY ended 31 March 2019 and 1Q2019

The audited consolidated financial statements of the A-HTRUST Group for FY ended 31 March 2019 is set out in the annual report of A-HTRUST for FY ended 31 March 2019, which is available for inspection at the registered office of the A-HTRUST Managers at 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522 during normal business hours from the date of this Scheme Document up to the Effective Date². The unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019 are set out in Appendix F to this Scheme Document.

10.2 A-HTRUST Directors' Service Contracts

As at the Latest Practicable Date:

- (a) there are no service contracts between any of the A-HTRUST Directors or proposed directors with any A-HTRUST Group Entity which have more than 12 months to run and which are not terminable by the employing company within the next 12 months without paying any compensation; and
- (b) there are no such contracts entered into or amended during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

10.3 Material Contracts with Interested Persons

As at the Latest Practicable Date, save as disclosed in the audited consolidated financial statements of the A-HTRUST Group for FY2017, FY2018 and FY ended 31 March 2019, and the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019, the annual reports of A-HTRUST for FY2017, FY2018 and FY ended 31 March 2019, and any other information on the A-HTRUST Group which is publicly available (including without limitation, the announcements released by the A-HTRUST Managers on SGXNET) as to material contracts with interested persons (within the meaning of Note 1 to Rule 23.12 of the Code) which are not in the ordinary course of business, none of the A-HTRUST Group Entities has entered into any material contracts with interested persons (other than those entered into in the ordinary course of business) during the period beginning three (3) years before the Joint Announcement Date and ending on the Latest Practicable Date.

10.4 Costs and Expenses

In the event that the A-HTRUST Scheme does not become effective and binding for any reason, the expenses and costs incurred by the A-HTRUST Managers in connection with the A-HTRUST Scheme will be paid out of the assets of A-HTRUST.

² Prior appointment with the A-HTRUST Managers is required. Please contact Mr. Chee Kum Tin, Investor Relations (Tel: +65 6508 4927).

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

11. CONSENTS

11.1 General

WongPartnership LLP, Rajah & Tann Singapore LLP, Morgan Stanley Asia (Singapore) Pte. and the Stapled Security Registrar have each given and have not withdrawn their respective written consents to the issue of this Scheme Document with the inclusion herein of their names and all the references to their names in the form and context in which they respectively appear in this Scheme Document.

11.2 A-HTRUST IFA

The A-HTRUST IFA has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name, the A-HTRUST IFA Letter as set out in Appendix A to this Scheme Document, the review report on the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019 set out in Appendix F to this Scheme Document, and all references to its name in the form and context in which it appears in this Scheme Document.

11.3 A-HTRUST Auditors

The A-HTRUST Auditors have given and have not withdrawn their written consent to the issue of this Scheme Document with the inclusion herein of their name and the review report on the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019 set out in Appendix F and the A-HTRUST Auditors Opinion set out in Appendix G to this Scheme Document, and all references to their name in the form and context in which they appear in this Scheme Document.

11.4 HVS

HVS has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name and the valuation report of the properties owned by Ascott Reit as of 30 June 2019 being made available for inspection, and all references to its name in the form and context in which it appears in this Scheme Document.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the A-HTRUST Managers at 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522 during normal business hours from the date of this Scheme Document up to the Effective Date³:

- (a) the A-HTRUST Trust Deeds;
- (b) the Ascott Reit Trust Deed, Ascott BT Trust Deed, Ascott Reit-BT Stapling Deed;
- (c) the annual reports of A-HTRUST for FY2017, FY2018 and FY ended 31 March 2019;

³ Prior appointment with the A-HTRUST Managers is required. Please contact (Mr) Chee Kum Tin, Investor Relations (Tel: +65 6508 4927).

APPENDIX C – GENERAL INFORMATION RELATING TO A-HTRUST

- (d) the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019 including the review report from the A-HTRUST Auditors on the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019 and the review report from the A-HTRUST IFA on the unaudited consolidated financial statements of the A-HTRUST Group for 1Q2019;
- (e) the A-HTRUST Auditors Opinion;
- (f) the A-HTRUST IFA Letter;
- (g) the Implementation Agreement;
- (h) the ALI Deed of Undertaking;
- (i) the letters of consent referred to in Paragraph 11 of this Appendix C; and
- (j) the valuation report of the properties owned by Ascott Reit as of 30 June 2019 conducted by HVS.

APPENDIX D – A-HTRUST TRUST DEEDS AMENDMENTS

A-HTRUST Trust Deeds Amendments

Part A: Amendments to A-HTRUST REIT Trust Deed

1. To insert the following provision as Clause 37 in the A-HTRUST REIT Trust Deed immediately after Clause 36 of the A-HTRUST REIT Trust Deed:

“37 Scheme

37.1 Definitions

For the purposes of this Clause 37:

“A-HTRUST BT” means the business trust known as “Ascendas Hospitality Business Trust” and constituted by the A-HTRUST BT Trust Deed;

“A-HTRUST BT Trust Deed” means the trust deed dated 13 March 2012 and amended and restated on 9 July 2012 constituting the A-HTRUST BT, as may be amended, supplemented or varied from time to time;

“A-HTRUST BT Trustee-Manager” means Ascendas Hospitality Trust Management Pte Ltd, in its capacity as trustee-manager of the A-HTRUST BT;

“A-HTRUST BT Unit” means an issued and outstanding unit in A-HTRUST BT, representing one undivided interest in A-HTRUST BT;

“A-HTRUST EGM” means the meeting of the Holders to be convened to approve the A-HTRUST Trust Deeds Amendment Resolutions (and any adjournment thereof);

“A-HTRUST Trust Deeds Amendment Resolutions” means the Extraordinary Resolutions of the Holders to approve the amendments to:

- (a) this Deed and to the A-HTRUST BT Trust Deed to facilitate the implementation of the Scheme, including by way of the insertion of this Clause 37 into this Deed and the amendment to Clause 9.2 of this Deed; and
- (b) the Stapling Deed to effect, among others, the Unstapling;

“BT Offeror” means any business trust proposing to acquire all the A-HTRUST BT Units by way of a trust scheme of arrangement;

“BT Offeror Trustee-Manager” means the trustee-manager of the BT Offeror, acting in its capacity as trustee-manager of the BT Offeror;

“BT Offeror Unit” means an issued and outstanding unit in the BT Offeror, representing one undivided interest in the BT Offeror;

“Court” means the High Court of the Republic of Singapore or, where applicable on appeal, the Court of Appeal of the Republic of Singapore;

“Effective Date” means the date on which the Scheme becomes effective in accordance with its terms;

APPENDIX D – A-HTRUST TRUST DEEDS AMENDMENTS

“Encumbrance” means, with respect to any asset or real property:

- (a) any charge, claim, hypothecation, lien, mortgage, power of sale, retention of title or security interest of any kind over and in respect of such asset or real property; and
- (b) any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which any such asset or real property is subject or any right or option for the sale or purchase of any such asset or real property,

and any other third party rights and interests of any nature whatsoever on an agreement, arrangement or obligation to create any of the foregoing;

“Governmental Authority” means any supranational, national, federal, state, municipal or local court, administrative, regulatory, fiscal or judicial agency, authority, body, commission, department, exchange, tribunal or entity, or other governmental, semi-governmental or quasi-governmental entity or authority, or any securities exchange, wherever located;

“Implementation Agreement” means an implementation agreement entered into with respect to the implementation of a trust scheme of arrangement;

“Reit Offeror” means any real estate investment trust proposing to acquire all the Scheme Units by way of a trust scheme of arrangement;

“Reit Offeror Manager” means the manager of the Reit Offeror, acting in its capacity as manager of the Reit Offeror;

“Reit Offeror Trustee” means the trustee of the Reit Offeror, acting in its capacity as trustee of the Reit Offeror;

“Reit Offeror Unit” means an issued and outstanding unit in the Reit Offeror, representing one undivided interest in the Reit Offeror;

“Reit-BT Offeror Stapled Unit” means a stapled Reit Offeror Unit and BT Offeror Unit;

“Reit-BT Offeror Stapling Deed” means a stapling deed entered into between the Reit Offeror Trustee, Reit Offeror Manager and BT Offeror Trustee-Manager;

“Scheme” means a trust scheme of arrangement to be implemented pursuant to an Implementation Agreement by which:

- (a) all of the Units, after they have been Unstapled from the A-HTRUST BT Units pursuant to Clause 37.2.4(i) below, will be transferred to the Reit Offeror; and
- (b) all of the A-HTRUST BT Units, after they have been Unstapled from the Units pursuant to Clause 37.2.4(i) below, will be transferred to the BT Offeror,

in consideration of the Scheme Consideration;

“Scheme Consideration” the consideration with respect to the Scheme as set out in the Implementation Agreement;

APPENDIX D – A-HTRUST TRUST DEEDS AMENDMENTS

“Scheme Entitlement Date” means the date on which the Register will be closed in order to determine the entitlements of the Unitholders in respect of the Scheme;

“Scheme Implementation Date” means the date on which the Scheme is implemented, being a date falling not later than seven Business Days after the Effective Date;

“Scheme Meeting” means the meeting of the Holders to be convened by order of the Court to approve the Scheme Resolutions (and any adjournment thereof);

“Scheme Resolutions” means the resolutions of the Holders to approve the Scheme;

“Scheme Unit” means an issued and outstanding Unit as at the Scheme Entitlement Date, representing one undivided interest in the Trust. For the avoidance of doubt, on and with effect from the time at which the Units have been Unstapled from the A-HTRUST BT Units pursuant to Clause 37.2.4(i) below, references in this Clause 37 to:

(a) the **“Scheme Unit”** shall mean the Units on an Unstapled basis; and

(b) the **“Scheme Unitholder”** or **“Holder”** shall mean Holders of such Unstapled Units;

“Scheme Unitholder” means each person who is registered on the Register as a holder of Units as at the Scheme Entitlement Date; and

“Unstapled” has the meaning given in the Stapling Deed.

37.2 Implementation of Scheme

37.2.1 Each Scheme Unitholder, the Trustee and the Manager shall do all things and execute all deeds, instruments, transfers or other documents as the Trustee and/or the Manager consider are necessary or desirable to execute, implement and/or to give full effect to the terms of the Scheme, the Implementation Agreement and the transactions contemplated by them and any other matters reasonably incidental thereto.

37.2.2 Without limiting the other powers of the Trustee and the Manager under this Clause 37, each of the Trustee and the Manager shall have the power to do all things which it considers necessary or desirable to execute, implement and/or to give effect to the Scheme, the Implementation Agreement and the transactions contemplated by them and any other matters reasonably incidental thereto.

37.2.3 Subject to Relevant Laws, Regulations and Guidelines, each of the Trustee and the Manager and any of their directors, officers, employees or representatives may do any act, matter or thing described in or contemplated by this Clause 37 even if they have an interest (financial or otherwise) in, or in the outcome of, such act, matter or thing.

APPENDIX D – A-HTRUST TRUST DEEDS AMENDMENTS

37.2.4 Without limiting the powers of the Trustee and the Manager under this Clause 37, subject to the Reit Offeror Trustee having complied with its obligations to issue, deliver and pay the Scheme Consideration in accordance with the Implementation Agreement:

- (i) on the Scheme Implementation Date, the Trustee and the Manager shall:
 - (a) Unstaple the Units from the A-HTRUST BT Units; and
 - (b) effect such Unstapling before any Unit may be transferred to the Reit Offeror Trustee pursuant to the Scheme,

such that each and every Scheme Unit which is transferred to the Reit Offeror Trustee pursuant to the Scheme shall be transferred on an Unstapled basis;

- (ii) on and with effect from the Effective Date, each Scheme Unitholder shall be deemed to have irrevocably appointed the Trustee and/or the Manager as the agent and attorney of that Scheme Unitholder to transfer the Scheme Units on the Scheme Implementation Date in consideration of the Scheme Consideration in accordance with the terms of the Implementation Agreement; and
- (iii) (if required) the Trustee and/or the Manager shall execute, on behalf of each Scheme Unitholder, a transfer of the Scheme Units in respect of which the Trustee and/or the Manager is appointed as agent and attorney under Clause 37.2.4(ii) above in the manner and form which the Trustee and/or the Manager considers necessary and deliver the transfer to the Registrar for registration,

provided that in each case of Clauses 37.2.4(ii) and (iii) above, any transfer of the Scheme Units shall be effected only after the Units have been Unstapled from the A-HTRUST BT Units pursuant to Clause 37.2.4(i) above.

37.2.5 Pursuant to the Scheme and following the Unstapling of the Units from the A-HTRUST BT Units pursuant to Clause 37.2.4(i) above:

- (i) each Unit will be acquired together with the A-HTRUST BT Unit to which that Unit was previously stapled; and
- (ii) each Scheme Unitholder will be issued:
 - (a) new Reit Offeror Units on an unstapled basis as part of the consideration for the acquisition of its Scheme Units; and
 - (b) new BT Offeror Units on an unstapled basis as part of the consideration for the acquisition of the A-HTRUST BT Units held by it as at the Scheme Entitlement Date,

on terms that immediately after such issuance and receipt thereof by such Scheme Unitholder (including by way of credit of such new Reit Offeror Units and new BT Offeror Units in the Securities Accounts of such Scheme Unitholder), each such new Reit Offeror Unit will be stapled with one BT Offeror Unit so as to form one Reit-BT Offeror Stapled Unit in accordance with the Reit-BT Offeror Stapling Deed.

APPENDIX D – A-HTRUST TRUST DEEDS AMENDMENTS

37.2.6 This Clause 37 shall, on and with effect from the time at which the A-HTRUST Trust Deeds Amendment Resolutions have been duly passed at the A-HTRUST EGM:

- (i) bind the Trustee, the Manager and all Holders from time to time, including those who do not attend the A-HTRUST EGM, those who do not vote at the A-HTRUST EGM and those who vote against the A-HTRUST Trust Deeds Amendment Resolutions at the A-HTRUST EGM; and
- (ii) to the extent of any inconsistency, override any other provisions of this Deed (but, for the avoidance of doubt, remain subject to Relevant Laws, Regulations and Guidelines).

37.2.7 If:

- (i) the Scheme Resolutions have been approved by a majority in number of Holders representing at least three-fourths in value of the Units held by the Holders or class of Holders present and voting either in person or by proxy at the Scheme Meeting;
- (ii) the Scheme has been sanctioned by an order of the Court; and
- (iii) the Scheme has become effective in accordance with its terms,

the Scheme shall, on and with effect from the Effective Date, be binding on the Trustee, the Manager and all Holders from time to time, including those who do not attend the Scheme Meeting, those who do not vote at the Scheme Meeting, and those who vote against the Scheme Resolutions at the Scheme Meeting.

37.3 Warranty by Scheme Unitholders

Each Scheme Unitholder warrants to the Reit Offeror Trustee that, subject to the Scheme becoming effective in accordance with its terms:

37.3.1 it has full power and capacity to sell and to transfer its Scheme Units (including all rights, benefits and entitlements attaching thereto) to the Reit Offeror Trustee pursuant to the Scheme; and

37.3.2 all its Scheme Units to be transferred to the Reit Offeror Trustee pursuant to the Scheme will be transferred:

- (i) fully paid;
- (ii) free from all Encumbrances; and
- (iii) together with all rights, benefits and entitlements attaching thereto as at the date of the relevant Implementation Agreement and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared or by the Manager on or after such date, to the extent set out in the terms of the Scheme.

APPENDIX D – A-HTRUST TRUST DEEDS AMENDMENTS

37.4 Transfer free of Encumbrances

To the extent permitted by law, all Scheme Units (including all rights, benefits and entitlements attaching thereto) which are transferred to the Reit Offeror Trustee pursuant to the Scheme will, at the date of such transfer, vest in the Reit Offeror Trustee free from all Encumbrances.

37.5 Appointment of Reit Offeror Manager as sole proxy

Subject to the Reit Offeror Trustee having complied with its obligations to issue, deliver and pay the Scheme Consideration in accordance with the Implementation Agreement, on and with effect from the Scheme Implementation Date until the Reit Offeror Trustee is registered as the holder of all the Scheme Units in the Depository Register or Register (as the case may be), each Scheme Unitholder:

37.5.1 irrevocably appoints each of the Trustee and/or the Manager as attorney and agent (and directs the Trustee and/or the Manager in such capacity) to appoint the Reit Offeror Manager and each of the Reit Offeror Manager's directors from time to time (jointly and each of them individually) as its sole proxy, and where applicable, corporate representative, to attend meetings of the Holders, exercise the votes attaching to Units registered in its name and sign any resolution, and no Scheme Unitholder may itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy, or by corporate representative (other than pursuant to this Clause 37.5.1); and

37.5.2 shall take all other actions in the capacity of the registered holder of Units as the Reit Offeror Manager directs.

37.6 Orders of a court or Governmental Authority

37.6.1 Each of the Trustee and/or the Manager may deduct and withhold from the Scheme Consideration which would otherwise be payable to any Scheme Unitholder any amount which the Trustee, the Manager, the Reit Offeror Trustee and/or the Reit Offeror Manager determines is required to be deducted and withheld from that consideration under any applicable law, including any order, direction or notice made or given by a court of competent jurisdiction or by a Governmental Authority.

37.6.2 To the extent that any amount is so deducted or withheld, such deducted or withheld amount shall be treated for all purposes under the Scheme as having been paid to the person in respect of which such deduction or withholding was made, provided that such deducted or withheld amount is actually remitted to the appropriate Governmental Authority.

APPENDIX D – A-HTRUST TRUST DEEDS AMENDMENTS

- 37.6.3 If written notice is given to the Trustee, the Manager, the Registrar, the Reit Offeror Trustee or the Reit Offeror Manager of an order, direction or notice made or given by a court of competent jurisdiction or by a Governmental Authority that:
- (i) requires the Scheme Consideration or any part thereof which would otherwise be payable or provided to any Scheme Unitholder under the Scheme to instead be paid or provided to a Governmental Authority or other third party (either through payment of a sum or the issuance of a security), then the Trustee, the Manager, the Reit Offeror Trustee and/or the Reit Offeror Manager shall be entitled to procure that payment or provision of that consideration is made in accordance with that order, direction or notice (and payment or provision of that consideration in accordance with that order, direction or notice shall be treated for all purposes under the Scheme as having been paid or provided to the relevant Scheme Unitholder); or
 - (ii) prevents the Trustee, the Manager, the Reit Offeror Trustee and/or the Reit Offeror Manager from paying or providing the Scheme Consideration or any part thereof to any particular Scheme Unitholder under the Scheme, or the payment or provision of such consideration is otherwise prohibited by applicable law, the Trustee, the Manager, the Reit Offeror Trustee and/or the Reit Offeror Manager shall be entitled to retain the Scheme Consideration (or any part thereof) to which that Scheme Unitholder would otherwise be entitled to under the Scheme, until such time as payment or provision of the Scheme Consideration (or any part thereof) under the Scheme is permitted by that order, direction or notice or otherwise by law.

37.7 No disposal after Effective Date

- 37.7.1 On and with effect from the Effective Date, a Holder (and any person claiming through that Holder) shall not dispose of or purport or agree to dispose of any Scheme Units or any interest in them in any way except pursuant to the Scheme and any such disposal or purported disposal will be void and of no legal effect whatsoever.
- 37.7.2 The Trustee, the Manager and the Registrar shall not accept for registration or recognise for any purpose any transmission, application or transfer in respect of any Scheme Units received on or after the Scheme Entitlement Date (except a transfer to the Reit Offeror Trustee pursuant to the Scheme or any subsequent transfer by the Reit Offeror Trustee or its successors in title).
2. To amend Clause 9.2 of the A-HTRUST REIT Trust Deed by adding the underlined text below:
- “9.2 Notwithstanding anything in the Listing Rules and the listing rules of any other relevant Recognised Stock Exchange, the Manager may make an application to delist the Trust, after it has been listed, only if the proposed delisting has been approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1 or after the Scheme Resolutions (as defined in Clause 37.1) have been approved at the Scheme Meeting.”.

APPENDIX D – A-HTRUST TRUST DEEDS AMENDMENTS

Part B: Amendments to A-HTRUST BT Trust Deed

1. To insert the following provision as Clause 32 in the A-HTRUST BT Trust Deed immediately after Clause 31 of the A-HTRUST BT Trust Deed:

“32 Scheme

32.1 Definitions

For the purposes of this Clause 32:

“A-HTRUST EGM” means the meeting of the Holders to be convened to approve the A-HTRUST Trust Deeds Amendment Resolutions (and any adjournment thereof);

“A-HTRUST REIT” means the real estate investment trust known as “Ascendas Hospitality Real Estate Investment Trust” and constituted by the A-HTRUST REIT Trust Deed;

“A-HTRUST REIT Manager” means Ascendas Hospitality Fund Management Pte. Ltd., in its capacity as manager of A-HTRUST REIT;

“A-HTRUST REIT Trust Deed” means the trust deed dated 13 March 2012 and amended and restated on 9 July 2012 constituting the A-HTRUST REIT, as may be amended, supplemented or varied from time to time;

“A-HTRUST REIT Trustee” means Perpetual (Asia) Limited, in its capacity as trustee of A-HTRUST REIT;

“A-HTRUST REIT Unit” means an issued and outstanding unit in A-HTRUST REIT, representing one undivided interest in A-HTRUST REIT;

“A-HTRUST Trust Deeds Amendment Resolutions” means the Extraordinary Resolutions of the Holders to approve the amendments to:

(a) this Deed and to the A-HTRUST REIT Trust Deed to facilitate the implementation of the Scheme, including by way of the insertion of this Clause 32 into this Deed and the amendment to Clause 8.2 of this Deed; and

(b) the Stapling Deed to effect, among others, the Unstapling;

“BT Offeror” means any business trust proposing to acquire all the Scheme Units by way of a trust scheme of arrangement;

“BT Offeror Trustee-Manager” means the trustee-manager of the BT Offeror, acting in its capacity as trustee-manager of the BT Offeror;

“BT Offeror Unit” means an issued and outstanding unit in the BT Offeror, representing one undivided interest in the BT Offeror;

“Court” means the High Court of the Republic of Singapore or, where applicable on appeal, the Court of Appeal of the Republic of Singapore;

APPENDIX D – A-HTRUST TRUST DEEDS AMENDMENTS

“Effective Date” means the date on which the Scheme becomes effective in accordance with its terms;

“Encumbrance” means, with respect to any asset or real property:

- (a) any charge, claim, hypothecation, lien, mortgage, power of sale, retention of title or security interest of any kind over and in respect of such asset or real property; and
- (b) any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which any such asset or real property is subject or any right or option for the sale or purchase of any such asset or real property,

and any other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing;

“Governmental Authority” means any supranational, national, federal, state, municipal or local court, administrative, regulatory, fiscal or judicial agency, authority, body, commission, department, exchange, tribunal or entity, or other governmental, semi-governmental or quasi-governmental entity or authority, or any securities exchange, wherever located;

“Implementation Agreement” means an implementation agreement entered into with respect to the implementation of a trust scheme of arrangement;

“Reit Offeror” means any real estate investment trust proposing to acquire all the A-HTRUST REIT Units by way of a trust scheme of arrangement;

“Reit Offeror Manager” means the manager of the Reit Offeror, acting in its capacity as manager of the Reit Offeror;

“Reit Offeror Trustee” means the trustee of the Reit Offeror, acting in its capacity as trustee of the Reit Offeror;

“Reit Offeror Unit” means an issued and outstanding unit in the Reit Offeror, representing one undivided interest in the Reit Offeror;

“Reit-BT Offeror Stapled Unit” means a stapled Reit Offeror Unit and BT Offeror Unit;

“Reit-BT Offeror Stapling Deed” means a stapling deed entered into between the Reit Offeror Trustee, Reit Offeror Manager and BT Offeror Trustee-Manager;

“Scheme” means a trust scheme of arrangement to be implemented pursuant to an Implementation Agreement by which:

- (a) all of the A-HTRUST REIT Units, after they have been Unstapled from the A-HTRUST-BT Units pursuant to Clause 32.2.4(i) below, will be transferred to the Reit Offeror; and
- (b) all of the Units, after they have been Unstapled from the A-HTRUST REIT Units pursuant to Clause 32.2.4(i) below, will be transferred to the BT Offeror,

in consideration of the Scheme Consideration;

APPENDIX D – A-HTRUST TRUST DEEDS AMENDMENTS

“Scheme Consideration” the consideration with respect to the Scheme as set out in the Implementation Agreement;

“Scheme Entitlement Date” means the date on which the Register will be closed in order to determine the entitlements of the Unitholders in respect of the Scheme;

“Scheme Implementation Date” means the date on which the Scheme is implemented, being a date falling not later than seven Business Days after the Effective Date;

“Scheme Meeting” means the meeting of the Holders to be convened by order of the Court to approve the Scheme Resolutions (and any adjournment thereof);

“Scheme Resolutions” means the resolutions of the Holders to approve the Scheme;

“Scheme Unit” means an issued and outstanding Unit as at the Scheme Entitlement Date, representing one undivided interest in the Trust. For the avoidance of doubt, on and with effect from the time at which the Units have been Unstapled from the A-HTRUST REIT Units pursuant to Clause 32.2.4(i) below, references in this Clause 32 to:

- (a) the **“Scheme Unit”** shall mean the Units on an Unstapled basis; and
- (b) the **“Scheme Unitholder”** or **“Holder”** shall mean Holders of such Unstapled Units;

“Scheme Unitholder” means each person who is registered on the Register as a holder of Units as at the Scheme Entitlement Date; and

“Unstapled” has the meaning given in the Stapling Deed.

32.2 Implementation of Scheme

32.2.1 Each Scheme Unitholder and the Trustee-Manager shall do all things and execute all deeds, instruments, transfers or other documents as the Trustee-Manager considers are necessary or desirable to execute, implement and/or to give full effect to the terms of the Scheme, the Implementation Agreement and the transactions contemplated by them and any other matters reasonably incidental thereto.

32.2.2 Without limiting the other powers of the Trustee-Manager under this Clause 32, the Trustee-Manager shall have the power to do all things which it considers necessary or desirable to execute, implement and/or to give effect to the Scheme, the Implementation Agreement and the transactions contemplated by them and any other matters reasonably incidental thereto.

32.2.3 Subject to Relevant Laws, Regulations and Guidelines, the Trustee-Manager and any of its directors, officers, employees or representatives may do any act, matter or thing described in or contemplated by this Clause 32 even if they have an interest (financial or otherwise) in, or in the outcome of, such act, matter or thing.

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32.2.4 Without limiting the powers of the Trustee-Manager under this Clause 32, subject to the BT Offeror Trustee-Manager having complied with its obligations to issue, deliver and pay the Scheme Consideration in accordance with the Implementation Agreement:

- (i) on the Scheme Implementation Date, the Trustee-Manager shall:
 - (a) Unstaple the Units from the A-HTRUST REIT Units; and
 - (b) effect such Unstapling before any Unit may be transferred to the BT Offeror Trustee-Manager pursuant to the Scheme,

such that each and every Scheme Unit which is transferred to the BT Offeror Trustee-Manager pursuant to the Scheme shall be transferred on an Unstapled basis;

- (ii) on and with effect from the Effective Date, each Scheme Unitholder shall be deemed to have irrevocably appointed the Trustee-Manager as the agent and attorney of that Scheme Unitholder to transfer the Scheme Units on the Scheme Implementation Date in consideration of the Scheme Consideration in accordance with the terms of the Implementation Agreement; and
- (iii) (if required) the Trustee-Manager shall execute, on behalf of each Scheme Unitholder, a transfer of the Scheme Units in respect of which the Trustee-Manager is appointed as agent and attorney under Clause 32.2.4(ii) above in the manner and form which the Trustee-Manager considers necessary and deliver the transfer to the Registrar for registration,

provided that in each case of Clauses 32.2.4(ii) and (iii) above, any transfer of the Scheme Units shall be effected only after the Units have been Unstapled from the A-HTRUST REIT Units pursuant to Clause 32.2.4(i) above.

32.2.5 Pursuant to the Scheme and following the Unstapling of the Units from the A-HTRUST REIT Units pursuant to Clause 32.2.4(i) above:

- (i) each Unit will be acquired together with the A-HTRUST REIT Unit to which that Unit was previously stapled; and
- (ii) each Scheme Unitholder will be issued:
 - (a) new Reit Offeror Units on an unstapled basis as part of the consideration for the acquisition of the A-HTRUST REIT Units held by it as at the Scheme Entitlement Date; and
 - (b) new BT Offeror Units on an unstapled basis as part of the consideration for the acquisition of its Scheme Units,

on terms that immediately after such issuance and receipt thereof by such Scheme Unitholder (including by way of credit of such new Reit Offeror Units and new BT Offeror Units in the Securities Accounts of such Scheme Unitholder), each such new Reit Offeror Unit will be stapled with one BT Offeror Unit so as to form one Reit-BT Offeror Stapled Unit in accordance with the Reit-BT Offeror Stapling Deed.

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32.2.6 This Clause 32 shall, on and with effect from the time at which the A-HTRUST Trust Deeds Amendment Resolutions have been duly passed at the A-HTRUST EGM:

- (i) bind the Trustee-Manager and all Holders from time to time, including those who do not attend the A-HTRUST EGM, those who do not vote at the A-HTRUST EGM and those who vote against the A-HTRUST Trust Deeds Amendment Resolutions at the A-HTRUST EGM; and
- (ii) to the extent of any inconsistency, override any other provisions of this Deed (but, for the avoidance of doubt, remain subject to Relevant Laws, Regulations and Guidelines).

32.2.7 If:

- (i) the Scheme Resolutions have been approved by a majority in number of Holders representing at least three-fourths in value of the Units held by the Holders or class of Holders present and voting either in person or by proxy at the Scheme Meeting;
- (ii) the Scheme has been sanctioned by an order of the Court; and
- (iii) the Scheme has become effective in accordance with its terms,

the Scheme shall, on and with effect from the Effective Date, be binding on the Trustee-Manager and all Holders from time to time, including those who do not attend the Scheme Meeting, those who do not vote at the Scheme Meeting, and those who vote against the Scheme Resolutions at the Scheme Meeting.

32.3 Warranty by Scheme Unitholders

Each Scheme Unitholder warrants to the BT Offeror Trustee-Manager that, subject to the Scheme becoming effective in accordance with its terms:

32.3.1 it has full power and capacity to sell and to transfer its Scheme Units (including all rights, benefits and entitlements attaching thereto) to the BT Offeror Trustee-Manager pursuant to the Scheme; and

32.3.2 all its Scheme Units to be transferred to the BT Offeror Trustee-Manager pursuant to the Scheme will be transferred:

- (i) fully paid;
- (ii) free from all Encumbrances; and
- (iii) together with all rights, benefits and entitlements attaching thereto as at the date of the relevant Implementation Agreement and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared or by the Trustee-Manager on or after such date, to the extent set out in the terms of the Scheme.

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32.4 Transfer free of Encumbrances

To the extent permitted by law, all Scheme Units (including all rights, benefits and entitlements attaching thereto) which are transferred to the BT Offeror Trustee-Manager pursuant to the Scheme will, at the date of such transfer, vest in the BT Offeror Trustee-Manager free from all Encumbrances.

32.5 Appointment of BT Offeror Trustee-Manager as sole proxy

Subject to the BT Offeror Trustee-Manager having complied with its obligations to issue, deliver and pay the Scheme Consideration in accordance with the Implementation Agreement, on and with effect from the Scheme Implementation Date until the BT Offeror Trustee-Manager is registered as the holder of all the Scheme Units in the Depository Register or Register (as the case may be), each Scheme Unitholder:

32.5.1 irrevocably appoints the Trustee-Manager as attorney and agent (and directs the Trustee-Manager in such capacity) to appoint the BT Offeror Trustee-Manager and each of the BT Offeror Trustee-Manager's directors from time to time (jointly and each of them individually) as its sole proxy, and where applicable, corporate representative, to attend meetings of the Holders, exercise the votes attaching to Units registered in its name and sign any resolution, and no Scheme Unitholder may itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy, or by corporate representative (other than pursuant to this Clause 32.5.1); and

32.5.2 shall take all other actions in the capacity of the registered holder of Units as the Reit Offeror Manager directs.

32.6 Orders of a court or Governmental Authority

32.6.1 The Trustee-Manager may deduct and withhold from the Scheme Consideration which would otherwise be payable to any Scheme Unitholder any amount which the Trustee-Manager and/or the BT Offeror Trustee-Manager determines is required to be deducted and withheld from that consideration under any applicable law, including any order, direction or notice made or given by a court of competent jurisdiction or by a Governmental Authority.

32.6.2 To the extent that any amount is so deducted or withheld, such deducted or withheld amount shall be treated for all purposes under the Scheme as having been paid to the person in respect of which such deduction or withholding was made, provided that such deducted or withheld amount is actually remitted to the appropriate Governmental Authority.

32.6.3 If written notice is given to the Trustee-Manager, the Registrar or the BT Offeror Trustee-Manager of an order, direction or notice made or given by a court of competent jurisdiction or by a Governmental Authority that:

- (i) requires the Scheme Consideration or any part thereof which would otherwise be payable or provided to any Scheme Unitholder under the Scheme to instead be paid or provided to a Governmental Authority or other third party (either through payment of a sum or the issuance of a security), then the Trustee-Manager and/or the BT Offeror Trustee-Manager shall be

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entitled to procure that payment or provision of that consideration is made in accordance with that order, direction or notice (and payment or provision of that consideration in accordance with that order, direction or notice shall be treated for all purposes under the Scheme as having been paid or provided to the relevant Scheme Unitholder); or

- (ii) prevents the Trustee-Manager and/or the BT Offeror Trustee-Manager from paying or providing the Scheme Consideration or any part thereof to any particular Scheme Unitholder under the Scheme, or the payment or provision of such consideration is otherwise prohibited by applicable law, the Trustee-Manager and/or the BT Offeror Trustee-Manager shall be entitled to retain the Scheme Consideration (or any part thereof) to which that Scheme Unitholder would otherwise be entitled to under the Scheme, until such time as payment or provision of the Scheme Consideration (or any part thereof) under the Scheme is permitted by that order, direction or notice or otherwise by law.

32.7 No disposal after Effective Date

32.7.1 On and with effect from the Effective Date, a Holder (and any person claiming through that Holder) shall not dispose of or purport or agree to dispose of any Scheme Units or any interest in them in any way except pursuant to the Scheme and any such disposal or purported disposal will be void and of no legal effect whatsoever.

32.7.2 The Trustee-Manager and the Registrar shall not accept for registration or recognise for any purpose any transmission, application or transfer in respect of the Scheme Units received on or after the Scheme Entitlement Date (except a transfer to the Reit Offeror Trustee pursuant to the Scheme or any subsequent transfer by the Reit Offeror Trustee or its successors in title).

- 2. To amend Clause 8.2 of the A-HTRUST BT Trust Deed by adding the underlined text below on:

“8.2 Notwithstanding anything in the Listing Rules and the listing rules of any other relevant Recognised Stock Exchange, the Trustee-Manager may make an application to delist the Trust, after it has been listed, only if the proposed delisting has been approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1 or after the Scheme Resolutions (as defined in Clause 32.1) have been approved at the Scheme Meeting.”.

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Part C: Amendments to A-HTRUST Stapling Deed

To make the following amendments to the A-HTRUST Stapling Deed:

- (1) to amend Clause 3.1.1 of the A-HTRUST Stapling Deed by adding the underlined text below:

“3.1.1 On and from the Stapling Commencement Date and subject to Clause 11:”;

- (2) to amend Clause 3.2.2 of the A-HTRUST Stapling Deed by adding the underlined text below:

“3.2.2 On and from the Stapling Commencement Date and subject to Clause 11, the REIT Manager must not:”;

- (3) to amend Clause 3.2.2(v) of the A-HTRUST Stapling Deed by adding the underlined text below:

“(v) register any transfer of Ascendas Hospitality REIT Units to any person unless the transfer of the same number of Ascendas Hospitality BT Units to the same person is also registered at the same time or unless such transfer is made pursuant to the Scheme (as defined in the Ascendas Hospitality REIT Trust Deed);”;

- (4) to amend Clause 3.2.3 of the A-HTRUST Stapling Deed by adding the underlined text below:

“3.2.3 On and from the Stapling Commencement Date and subject to Clause 11, the Trustee-Manager must not:”;

- (5) to amend Clause 3.2.3(v) of the A-HTRUST Stapling Deed by adding the underlined text below:

“(v) register any transfer of Ascendas Hospitality BT Units to any person unless the transfer of the same number of Ascendas Hospitality REIT Units to the same person is also registered at the same time or unless such transfer is made pursuant to the Scheme (as defined in the Ascendas Hospitality BT Trust Deed);”;

- (6) to amend Clause 6.1 of the A-HTRUST Stapling Deed by adding the underlined text below:

“6.1 The REIT Trustee and the Trustee-Manager may not, for so long as the Ascendas Hospitality REIT Units and the Ascendas Hospitality BT Units are Stapled, borrow, obtain financial accommodation or raise money (or allow any of their respective controlled subsidiaries or sub-trusts to borrow or raise money) except on the following terms:”;

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- (7) to amend Clause 10.2 of the A-HTRUST Stapling Deed by deleting the struck-through text and adding the underlined text below:

“10.2 Delisting of Ascendas Hospitality Trust

Notwithstanding anything in the Listing Rules and the listing rules of any other relevant Recognised Stock Exchange, the REIT Manager and/or the Trustee-Manager may only make an application to de-list Ascendas Hospitality Trust after it has been Listed if:

10.2.1 the Ascendas Hospitality REIT Unitholders and Ascendas Hospitality BT Unitholders by a resolution passed by a vote representing 75~~80~~% or more of the total number of votes cast for and against such a resolution at a meeting of Depositors duly convened and held in accordance with the provisions contained in Schedule 1 of the Ascendas Hospitality REIT Trust Deed and the Ascendas Hospitality BT Trust Deed (as the case may be), decide that Ascendas Hospitality Trust is to be de-listed; or

10.2.2 the Scheme Resolutions have been approved at the Scheme Meeting (each as defined in the Ascendas Hospitality REIT Trust Deed and the Ascendas Hospitality BT Trust Deed).”;

- (8) to amend Clause 11.1.1(i) of the A-HTRUST Stapling Deed by adding the underlined text below:

“(i) otherwise determined by Extraordinary Resolutions of the Ascendas Hospitality REIT Unitholders and the Ascendas Hospitality BT Unitholders or the Scheme (as defined in the Ascendas Hospitality REIT Trust Deed and the Ascendas Hospitality BT Trust Deed) has become effective in accordance with its terms;”;

- (9) to amend Clause 11.1.2(ii) of the A-HTRUST Stapling Deed by deleting the struck-through text and adding the underlined text below:

“(ii) ~~except in relation to the ongoing obligations in Clause 5.1.4 and Clause 11.2 and covenants in Clauses 15, 16 and 17, this Deed ceases to be of any force or effect other than and notwithstanding the Unstapling of the Ascendas Hospitality REIT Units and the Ascendas Hospitality BT Units, this Deed shall remain in full force and effect.~~”; and

- (10) to amend Clause 11.2 of the A-HTRUST Stapling Deed by adding the underlined text below:

“11.2 If, as a consequence of any Unstapling, the Ascendas Hospitality REIT Units and the Ascendas Hospitality BT Units are no longer Stapled, the REIT Trustee and the Trustee Manager must promptly (unless they otherwise agree in writing):”.

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All capitalised terms used in the following extracts shall have the same meanings given to them in the respective A-HTRUST REIT Trust Deed and A-HTRUST BT Trust Deed, copies of which are available for inspection during normal business hours at the registered office of the A-HTRUST Managers from the date of this Scheme Document up until the Effective Date.

The rights of the A-HTRUST Stapled Securityholders in respect of capital, distribution and voting as extracted and reproduced from the A-HTRUST REIT Trust Deed and A-HTRUST BT Trust Deed are set out below:

THE RIGHTS OF A-HTRUST STAPLED SECURITYHOLDERS IN RESPECT OF CAPITAL

(a) A-HTRUST REIT TRUST DEED

2. Provisions as to Units, Holders and Statements of Holdings

2.1 No Certificates

2.1.1 No certificate shall be issued to Holders by either the Manager or the Trustee in respect of Units (whether Listed or Unlisted) issued to Holders. For so long as the Trust is Listed on the SGX-ST, the Manager shall, pursuant to the Depository Services Terms and Conditions, appoint the Depository as the Unit depository for the Trust and all Units issued will be deposited with the Depository and represented by entries in the Register in the name of the Depository as the registered Holder thereof.

2.1.2 For so long as the Trust is Listed on the SGX-ST, the Manager or the agent appointed by the Manager shall issue to the Depository, not more than 10 Business Days after the issue of Units, a confirmation note confirming the date of issue and the number of Units so issued and, if applicable, also stating that the Units are issued under a moratorium and the expiry date of such moratorium. For the purposes of this Deed, such a confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

2.2 Form of Statements of Holdings

2.2.1 In the event the Trust is or becomes Unlisted, the Manager or the agent appointed by the Manager shall issue to each Holder not more than one month after the allotment of Units to such Holder a confirmation note confirming such allotment. The Manager or its agent shall, for so long as the Trust is Unlisted, issue to each Holder on a calendar quarterly basis (or such other period as may be agreed between the Manager and the Trustee) a statement of holdings (the “**Statement of Holdings**”). A Statement of Holdings shall be dated and shall specify the number of Units held by each Holder in respect of the preceding quarter (or such other relevant period) and the transactions in respect of such Units and shall be in such form as may from time to time be agreed between the Manager and the Trustee.

2.2.2 For so long as the Trust is Listed and Units are registered in the name of the Depository, the Depository shall issue to each Depositor such contract statements, confirmation notes, statement of accounts balances, and at such intervals, as may be provided for in the Depository’s terms and conditions for operation of Securities Accounts.

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2.3 Sub-division and Consolidation of Units

2.3.1 The Manager may at any time, with the approval of the Trustee, and on prior written notice given by the Manager to each Holder or (as the case may be) to each Depositor by the Manager or the Trustee delivering such notice in writing to such Holder or the Depository for onward delivery to the Depositors, determine that each Unit shall be sub-divided into two or more Units or consolidated with one or more other Units and the Holders shall be bound accordingly.

2.3.2 The Register shall be altered accordingly to reflect the new number of Units held by each Holder as a result of such sub-division or consolidation and, where applicable, the Trustee shall cause the Depository to alter the Depository Register accordingly in respect of each relevant Depositor's Securities Account to reflect the new number of Units or where so permitted by the Relevant Laws, Regulations or Guidelines, the new number of Stapled Securities held by each Depositor as a result of such sub-division or consolidation.

2.4 Terms and Conditions of Trust Deed, Supplemental Deeds and Stapling Deed to Bind Holders

2.4.1 The terms and conditions of this Deed and of any supplemental deed (including any amending and restating deed) shall be binding on each Holder and all persons claiming through him as if he had been party thereto and as if this Deed and any supplemental deed (including any amending and restating deed) contained covenants on the part of each Holder to observe and be bound by all the provisions hereof and an authorisation by each Holder to do all such acts and things as this Deed and any supplemental deed (including any amending and restating deed) may require the Trustee or (as the case may be) the Manager to do.

2.4.2 For as long as the Trust and A-HBT are part of a Stapled Group and the Units are stapled with the units of A-HBT, the terms and conditions of the Stapling Deed and of any supplemental deed (including any amending and restating deed) shall be binding on each Holder and all persons claiming through him as if he had been party thereto and as if the Stapling Deed and any supplemental deed (including any amending and restating deed) contained covenants on the part of each Holder to observe and be bound by all the provisions hereof and an authorisation by each Holder to do all such acts and things as the Stapling Deed and any supplemental deed (including any amending and restating deed) may require the Trustee or (as the case may be) the Manager to do.

2.5 Availability of Trust Deed

A copy of this Deed and of any supplemental deed (including any amending and restating deed) for the time being in force shall be made available for inspection at the registered office of the Manager at all times during usual Business Hours and shall be supplied by the Manager to any person in accordance with the Relevant Laws, Regulations and Guidelines and on application at a charge not exceeding S\$10 per copy document.

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2.6 Units to be Held Free from Equities

A Holder entered in the Register as the registered holder of Units or (as the case may be) a Depositor whose name is entered in the Depository Register in respect of Units registered to him, shall be the only person recognised by the Trustee or by the Manager as having any right, title or interest in or to the Units registered in his name and the Trustee and the Manager may recognise such Holder or (as the case may be) such Depositor as the absolute owner thereof and shall not be bound by any notice to the contrary and shall also not be bound to take notice of or to see to the execution of any trust, express, implied or constructive, save as herein expressly provided or save as required by some court of competent jurisdiction to recognise any trust or equity or other interest affecting the title to any Units. Save as provided in this Deed, no notice of any trust, express, implied or constructive, shall be entered on the Register or the Depository Register.

2.7 Variation of Rights

2.7.1 If at any time different Classes of Units are issued, the rights attached to any Class (unless otherwise provided by the terms of issue of the Units of that Class) may, subject to the provisions of the Relevant Laws, Regulations and Guidelines, whether or not the Trust is being wound up, be varied or abrogated with the sanction of an Extraordinary Resolution of the Holders in respect of Units of that Class, and to every such Extraordinary Resolution the provisions of this Deed relating to meetings of Holders shall apply *mutatis mutandis* PROVIDED THAT the necessary quorum shall be two persons at least holding or representing by proxy or by attorney one-third of the issued Units of the Class, PROVIDED ALWAYS that where the necessary majority for such an Extraordinary Resolution is not obtained at such meeting of Holders, consent in writing if obtained from the holders of three-quarters of the issued Units of the class concerned within two months of such meeting of Holders shall be as valid and effectual as an Extraordinary Resolution at such meeting of Holders. This Clause 2.7 shall apply to the repayment of Preference Units or variation or abrogation of the special rights attached to only some of the Units of any class as if each group of Units of the class differently treated formed a separate class the special rights whereof are to be varied.

2.7.2 The rights conferred upon the Holders of the Units of any Class issued with preferred, deferred, subordinated or other rights shall not, unless otherwise expressly provided by the terms of issue of the Units of that Class or by this Deed as are in force at the time of such issue, be deemed to be varied by the creation or issue of further Units ranking equally therewith.

2.8 Rights of Manager in Respect of Units Not Registered

For so long as the Trust is Unlisted, the Manager shall be treated for all the purposes of this Deed as the Holder of each Unit during such times as there shall be no other person registered or entitled to be registered as the Holder and any such Unit shall be deemed to be in issue. Nothing herein contained shall prevent the Manager from becoming registered as the Holder of Units.

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2.9 Restrictions on Directions

The Holders shall not give any directions to the Manager or the Trustee (whether at a meeting of Holders convened pursuant to Clause 30 or otherwise) and if such directions are given, the Manager and/or the Trustee shall be entitled to disregard such instructions if it would require the Manager or Trustee to do or omit from doing anything which may result in:

2.9.1 the Trust, the Manager or the Trustee (as the case may be) ceasing to comply with the Relevant Laws, Regulations and Guidelines or any other applicable laws and regulations; or

2.9.2 the exercise of any discretion expressly conferred on the Trustee or the Manager by this Deed or the determination of any matter which under this Deed requires the agreement of either or both of the Trustee and the Manager; PROVIDED THAT nothing in this Clause 2.9.2 shall limit the right of a Holder to require the due administration of the Trust in accordance with this Deed.

2.10 Provision as to Units, Holders and Statements of Holdings where Trust is part of the Stapled Group

In the event that the Trust is part of the Stapled Group, the provisions of this Clause 2 shall apply with such modifications and qualifications as may be necessary, as though references to Holders and Units were references to references to holders of Stapled Securities and Stapled Securities respectively, and reference to this Deed shall be read to include the Stapling Deed.

3. Registration of Holders

3.1 Register of Holders

3.1.1 An up-to-date Register shall be kept in Singapore by the Trustee or the Registrar in such manner as may be required by any Relevant Laws, Regulations and Guidelines. The Register shall be maintained at all times whether the Trust is Listed or Unlisted. For so long as the Trust is Listed, the Trustee or the Registrar shall record the Depository as the registered holder of all Units in issue in the Register. In the event the Trust is Unlisted, the Trustee or the Registrar shall record each Holder as the registered holder of Units held by such Holder. There shall be entered in the Register, in respect of each Holder or person who has ceased to be a Holder, the following information as soon as practicable after the Trustee or the Registrar receives the following relevant information:

- (i) the names and addresses of the Holders (and in the case where the registered Holder is the Depository, the name and address of the Depository);
- (ii) the Class of Units held by each Holder;
- (iii) the number of Units held by each Holder;

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- (iv) the date on which every such person entered in respect of the Units standing in his name became a Holder and where he became a Holder by virtue of an instrument of transfer, a sufficient reference to enable the name and address of the transferor to be identified;
- (v) the date on which any transfer is registered and the name and address of the transferee; and
- (vi) where applicable, the date on which any person ceases or ceased to be a Holder of Units.

3.1.2 Units may be issued to Joint Holders with no limit as to the number of persons who may be registered as Joint Holders.

3.2 Unlisted Units

For so long as the Trust is Unlisted, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Holder and, in the event of any discrepancy between the entries in the Register and the details appearing on any Statement of Holdings, the entries in the Register shall prevail unless the Holder proves, to the satisfaction of the Manager and the Trustee, that the Register is incorrect.

3.3 Listed Units

3.3.1 For so long as the Trust is Listed on the SGX-ST, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by the Depository and each Holder (other than the Depository) and, in the event of any discrepancy between the entries in the Register and the confirmation notes issued by the Manager to the Depository or (as the case may be) the Holder under Clause 2.1, the entries in the Register shall prevail unless the Manager, the Trustee and the Depository mutually agree that the Register is incorrect and in the case of a Holder (other than the Depository), where the Holder proves to the satisfaction of the Manager and the Trustee that the Register is incorrect.

3.3.2 For so long as the Trust is Listed on the SGX-ST, the Manager shall have entered into the Depository Services Terms and Conditions for the Depository to maintain a record in the Depository Register of the Depositors having Units credited into their respective Securities Accounts and to record in the Depository Register the information referred to in Clause 3.1.1(i) to 3.1.1(vi) in relation to each Depositor. Each Depositor named in the Depository Register shall, for such period as the Units are entered against his name in the Depository Register, be deemed to be the owner in respect of the number of Units entered against such Depositor's name in the Depository Register, and the Manager and the Trustee shall be entitled to rely on any and all such information in the Depository Register. Subject to the terms of the Depository Services Terms and Conditions, two or more persons may be registered as Joint Depositors of Units.

3.3.3 The entries in the Depository Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Depositor

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and, in the event of any discrepancy between the entries in the Depository Register and the details appearing in any contract statements, confirmation notes, statements of account balances and statements of transactions and accounts balances issued by the Depository, the entries in the Depository Register shall prevail unless the Depositor proves, to the satisfaction of the Manager, the Trustee and the Depository, that the Depository Register is incorrect.

3.4 Change of Name or Address

For so long as the Trust is Unlisted, any change of name or address on the part of any Holder shall forthwith be notified by such Holder to the Manager, whether in writing or in such other manner as the Manager may approve. If the Manager is satisfied with the change in name or address and that all formalities as may be required by the Manager have been complied with, the Manager shall notify the Trustee of the same and the Trustee shall alter or cause to be altered the Register accordingly.

3.5 Inspection of Register

3.5.1 The Trustee shall give the Manager and its representatives, or procure that the Manager and its representatives are given, access to the Register and all subsidiary documents and records relating thereto at all reasonable times during Business Hours and allow them to, or procure that they are allowed to, inspect and to take copies of the same with prior notice and without charge but neither the Manager nor its representatives shall be entitled to remove the same (save in the case where the Manager is required to produce the Register to a court of competent jurisdiction or otherwise as required by law) or to make any entries therein or alterations thereto.

3.5.2 Except when the Register is closed in accordance with Clause 3.6, the Register shall during Business Hours (subject to such reasonable restrictions as the Trustee may impose but so that not less than two hours in each Business Day shall be allowed for inspection) be open to the inspection of any Holder without charge PROVIDED THAT if the Register is kept on magnetic tape or in accordance with some other mechanical or electrical system, the provisions of this Clause 3.5 may be satisfied by the production of legible evidence of the contents of the Register.

3.5.3 If the Trustee is removed or retires in accordance with the provisions of Clause 23, the Trustee shall deliver to the Manager the Register and all subsidiary documents and records relating thereto in its possession. Thereafter, the Trustee shall not retain any copies of the aforesaid documents and records unless required by law.

3.6 Closure of Register

Subject to the Relevant Laws, Regulations and Guidelines, the Register may be closed at such times and for such periods as the Trustee may from time to time determine, PROVIDED THAT it shall not be closed for more than 30 Business Days in any one Year.

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3.7 Transfer of Units

3.7.1 For so long as the Trust is Listed on the SGX-ST, transfers of Units between Depositors shall be effected electronically through the Depository making an appropriate entry in the Depository Register in respect of the Units that have been transferred in accordance with the Depository Requirements and the provisions of Clauses 3.7.2 to 3.7.6 shall not apply. The Manager shall be entitled to appoint the Depository to facilitate transactions of Units within the Depository and maintain records of Units of Holders credited into Securities Accounts and to pay out of the Deposited Property all fees, costs and expenses of the Depository arising out of or in connection with such services to be provided by the Depository. Any transfer or dealing in Units on the SGX-ST between a Depositor and another person shall be transacted at a price agreed between the parties and settled in accordance with the Depository Requirements. The broker or other financial intermediary effecting any transfer or dealing in Units on the SGX-ST shall be deemed to be the agent duly authorised by any such Depositor or person on whose behalf the broker or intermediary is acting. In any case of transfer, all charges in relation to such transfer as may be imposed by the Manager and/or the Depository shall be borne by the Holder who is the transferor. There are no restrictions as to the number of Units which may be transferred by a transferor to a transferee. For so long as the Trust is Listed on the SGX-ST, in the case of a transfer of Units from a Securities Account and credited into another Securities Account, the instrument of transfer (if applicable) shall be in such form as provided by the Depository and the transferor shall be deemed to remain the Depositor of the Units transferred until the relevant Units have been credited into the Securities Account of the transferee or transferred out of a Securities Account and registered on the Depository Register. If the Units are Listed on any other Recognised Stock Exchange, the transfer of Units shall be in accordance with the requirements of the relevant Recognised Stock Exchange. No transfer or purported transfer of a Listed Unit other than a transfer made in accordance with this Clause 3.7.1 shall entitle the transferee to be registered in respect thereof, neither shall any notice of such transfer or purported transfer (other than aforesaid) be entered under the Depository Register.

3.7.2 For so long as the Trust is Unlisted and is not part of a Stapled Group, every Holder, Joint-All Holder (with the concurrence of all the other Joint-All Holders) and Joint-Alternate Holder shall be entitled to transfer all or any of the Units held by him as follows:

- (i) a transfer of Units shall be effected by an instrument of transfer in writing in common form (or in such other form as the Manager and the Trustee may from time to time approve). The instrument of transfer need not be a deed;
- (ii) every instrument of transfer referred to in Clause 3.7.2(i) relating to Units must be signed by the transferor and the transferee and subject to the provisions of Clauses 3.7 to 3.13, the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof;

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- (iii) all charges in relation to such transfer as may be imposed by the Trustee shall be borne by the Holder who is the transferor; and
 - (iv) there are no restrictions as to the number of Units which may be transferred by a transferor to a transferee.
- 3.7.3** Every instrument of transfer referred to in Clause 3.7.2(i) must be duly stamped (if required by law) and left with the Manager for registration accompanied by any necessary declarations or other documents that may be required in consequence of any Relevant Laws, Regulations and Guidelines and by such evidence as the Manager may require to prove the title of the transferor or his right to transfer the Units.
- 3.7.4** For so long as the Trust is Unlisted, the Manager shall notify the Trustee of the date of each transfer effected in respect of Units and the name and address of the transferee and the Trustee shall alter or cause to be altered the Register accordingly.
- 3.7.5** For so long as the Trust is Unlisted, all instruments of transfer which are registered in respect of Units transferred in accordance with Clause 3.7.2 shall be forwarded by the Manager to, and retained by, the Trustee.
- 3.7.6** For so long as the Trust is Unlisted, a fee not exceeding S\$10 (or such other amount as the Manager and the Trustee may from time to time agree), which excludes any stamp duty or other governmental taxes or charges payable, may be charged by the Trustee for the registration of any transfer in accordance with Clause 3.7.2 by an instrument of transfer of Units. Such fee must, if required by the Trustee, be paid before the registration of any transfer.
- 3.7.7** No transfer or purported transfer of a Unit other than a transfer made in accordance with this Clause 3.7 shall entitle the transferee to be registered in respect thereof; neither shall any notice of such transfer or purported transfer (other than as aforesaid) be entered upon the Register or the Depository Register.
- 3.7.8** So long as the Trust is not part of a Stapled Group, no transfer or purported transfer of a Unit other than a transfer made in accordance with this Clause 3.7 shall entitle the transferee to be registered in respect thereof and neither shall any notice of such transfer or purported transfer (other than as aforesaid) be entered upon the Register or the Depository Register.
- 3.7.9** The Trustee shall have the powers to rectify the Register if it appears to the Trustee that any of the particulars recorded in the Register (including those particulars set out in Clause 3.1) is wrongly entered or omitted.
- 3.7.10** Subject to compliance with procedures provided in this Clause 3.7, there shall be no restriction in this Deed on the transfer of fully paid Units except where required by law or by the Relevant Laws, Regulations and Guidelines.

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3.8 Death of Holders

The heirs, executors or administrators of a deceased Holder (not being a Joint Holder) shall be the only persons recognised by the Trustee and the Manager as having title to the Units. In the case of the death of any one of the Joint Holders of Units and subject to any Relevant Laws, Regulations and Guidelines, the survivor(s), upon producing such evidence of death as the Manager and the Trustee may require, shall be the only person or persons recognised by the Trustee and the Manager as having any title to or interest in the Units, PROVIDED THAT where the sole survivor is a Minor, the Manager or the Trustee shall act only on the requests, applications or instructions of the surviving Minor after he attains the age of 18 years and shall not be obliged to act on the requests, applications or instructions of the heirs, executors or administrators of the deceased Joint Holder, and shall not be liable for any claims or demands whatsoever by the heirs, executors or administrators of the deceased Joint Holder, the Minor Joint Holder or the Minor Joint Holder's legal guardian in omitting to act on any request, application or instruction given by any of them (in the case of the Minor, before he attains the age of 18 years).

3.9 Body Corporate

A body corporate may be registered as a Holder or as one of the Joint Holders of Units. The successor in title of any corporate Holder which loses its legal entity by reason of a merger or amalgamation shall, subject to Clause 3.13, be the only person recognised by the Trustee and the Manager as having title to the Units of such corporate Holder. The registration of a body corporate as a Depositor or a Joint Depositor shall be in accordance with the Depository's terms and conditions for the holding and operation of Securities Accounts. The successor in title of any corporate Depositor resulting from a merger or amalgamation shall, upon producing such evidence as may be required by the Manager and the Trustee of such succession, be the only person recognised by the Trustee and the Manager as having title to the Units.

3.10 Minors

A Minor shall not be registered as a sole Holder or as one of the Joint-Alternate Holders of Units but may be registered as one of the Joint-All Holders of Units, PROVIDED THAT at least one of the Joint-All Holders is a person who has attained the age of 18 years. In the event that one of the Joint-All Holders is a Minor, the Manager and the Trustee need only act on the instructions given by the other Joint-All Holder or Joint-All Holders who has or have attained the age of 18 years.

3.11 Transmission

3.11.1 Any person becoming entitled to a Unit in consequence of the death or bankruptcy of any sole Holder or being the survivor of Joint Holders may (subject as hereinafter provided), upon producing such evidence as to his title as the Trustee and the Manager shall think sufficient, either be registered himself as Holder of such Unit upon giving to the Manager notice in writing of his desire to be recognised as Holder or transfer such Unit to some other person. The Manager shall notify the Trustee upon the receipt by it of any such notice and the Trustee shall alter or cause to be altered the Register accordingly. All the limitations, restrictions and provisions of this Deed relating to transfers shall be applicable to any such notice or transfer as if the

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death or bankruptcy had not occurred and such notice or transfer were a transfer executed by the Holder.

3.11.2 Any person becoming entitled to a Unit in consequence of death or bankruptcy as aforesaid may give a discharge for all moneys payable in respect of the Unit but he shall not be entitled in respect thereof to receive notices of or to attend or vote at any meeting of Holders until he shall have been registered as the Holder of such Unit in the Register or (as the case may be) the Depositor of such Unit in the Depository Register.

3.11.3 The Manager may retain any moneys payable in respect of any Unit of which any person is, under the provisions as to the transmission of Units hereinbefore contained, entitled to be registered as the Holder of or to transfer, until such person shall be registered as the Holder of such Units or shall duly transfer the same.

3.12 Payment of Fee

In respect of the registration of any probate, letter of administration, power of attorney, marriage or death certificate, stop notice, order of the court, deed poll or any other document relating to or affecting the title to any Unit, the Trustee may require from the person applying for such registration a fee of S\$10 (or such other amount as the Trustee and the Manager may from time to time agree) together with a sum sufficient in the opinion of the Trustee to cover any stamp duty or other governmental taxes or charges that may be payable in connection with such registration. Such fee, if required by the Trustee, must be paid before the registration of any transfer.

3.13 Removal from Register

For so long as the Trust is Unlisted, upon the registration of a transfer in favour of the Manager, the name of the Holder shall be removed from the Register in respect of such Units but the name of the Manager need not be entered in the Register as the Holder of such Units. Such removal shall not be treated for any purposes of this Deed as a cancellation of the Units or as withdrawing the same from issue.

3.14 Registrar

The Trustee may, with the approval of the Manager, at any time or from time to time appoint an agent on its behalf to, inter alia, keep and maintain the Register. The fees and expenses of the Registrar (as may be agreed from time to time between the Manager, the Trustee and the Registrar) shall be payable out of the Deposited Property of the Trust.

5. Issue of Units

5.1 General

5.1.1 Subject to the provisions of this Deed and any Relevant Laws, Regulations and Guidelines, the Manager shall have the exclusive right to effect for the account of the Trust the issue of Units (whether on an initial issue of Units, a rights issue, an issue of new Units otherwise than by way of a rights issue or any issue pursuant to a reinvestment of distribution arrangement or any

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issue of Units pursuant to a conversion of any Securities) and any Units may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Manager may think fit PROVIDED THAT, in connection with the initial Listing of the Trust on the SGX-ST, the Manager shall not be bound to accept an application for Units so as to give rise to a holding of fewer than 1,000 Units (or such other number of Units as may be determined by the Manager) and for so long as the Trust is Listed, the Manager shall comply with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange or any other Relevant Laws, Regulations and Guidelines when issuing Units. No fractions of a Unit shall be issued (whether on an initial issue of Units, a rights issue, an issue of new Units otherwise than by way of a rights issue, any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of any Securities) and in issuing such number of Units as corresponding to the relevant subscription proceeds (if any), the Manager shall, in respect of each Holder's entitlement to Units, truncate but not round off to the nearest whole Unit and any balance arising from such truncation shall be retained as part of the Deposited Property. Issues of Units shall only be made on a Business Day unless and to the extent that the Manager, with the previous consent of the Trustee, otherwise prescribes. Issues of Units for cash shall be made at a price hereinafter prescribed.

- 5.1.2** The Manager may, by deed supplemental hereto with the Trustee, issue Classes of Units under such terms and conditions as may be contained therein.
- 5.1.3** Preference Units may be issued subject to such limitation thereof as may be prescribed by the SGX-ST or any Recognised Stock Exchange upon which such Preference Units may be Listed. Provided always that the total number of Preference Units shall not exceed the total number of ordinary Units issued at any time, Preference Holders shall have the same rights as ordinary Holders as regards receiving of notices, reports and balance sheets and attending meetings of Holders, and Preference Holders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Trust or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the distribution on the Preference Units is more than six months in arrear.
- 5.1.4** The Manager has power to issue further preference capital ranking equally with, or in priority to, or after Preference Units already issued.
- 5.1.5** The Trust may be Listed on the SGX-ST pursuant to Clause 9 and, if so Listed, the Units shall be traded on the SGX-ST and settled through the Depository. Units already in issue may be transferred or otherwise dealt with through Securities Accounts into which Units are credited in accordance with Clause 3.7.
- 5.1.6** Subject to Clause 5.1.8, for so long as the Trust is Listed, the Manager may issue Units provided that the Manager complies with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and

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Guidelines in determining the Issue Price, including the Issue Price for a rights issue on a pro-rata basis to all existing Holders, the Issue Price of a Unit issued other than by way of a rights issue offered on a pro-rata basis to all existing Holders and the Issue Price for any reinvestment of distribution arrangement. If the Issue Price determined by the Manager is at a discount to the Market Price, the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines.

5.1.7 Notwithstanding anything in this Clause 5.1, for so long as Units are Stapled with another Security or other Securities, Units will be issued at an Issue Price in accordance with such terms and conditions as may be prescribed in the Stapling Deed.

5.1.8 Subject to any direction to the contrary that may be given by an Ordinary Resolution of a meeting of Holders or except as permitted under the Listing Rules, all new Units shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices of the meetings of Holders in proportion, as far as the circumstances admit, to the number of the existing Units to which they are entitled. The offer shall be made by notice specifying the number of Units offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Units offered, the Manager may dispose of those Units in such manner as they think most beneficial to the Trust. The Manager may likewise so dispose of any new Units which (by reason of the ratio which the new Units bear to Units held by persons entitled to an offer of new Units) cannot, in the opinion of the Manager, be conveniently offered under this Clause 5.1.8.

5.2 Issue Price of Units Prior to the Listing Date and the Initial Offering Price

5.2.1 Prior to the Listing Date, the Manager may subject to Clause 5.1 and any Relevant Laws, Regulations and Guidelines, issue Units at any time to any person at any issue price per Unit (“**Issue Price**”) and on such terms and conditions as the Manager may determine in its absolute discretion.

5.2.2 The issue of Units for the purpose of an initial public offering of Units shall be at an Issue Price to be determined by the Manager, or within such range to be determined by the Manager, on or before the Listing Date for such Units, PROVIDED THAT the Manager may delegate the right to make such determination to any underwriter, issue manager or placement agent engaged in connection with the initial public offering. The actual Issue Price shall be determined by the Manager and/or such underwriter, issue manager or placement agent following a book building process or through such other method of price determination as they may agree. The manner of and amount payable and any applicable refund on an application for Units during the initial public offering will be stated in the relevant Prospectus. Any such offer of Units for the purpose of an initial public offering may remain open for a period as may be agreed between the Manager and the Trustee, subject to any Relevant Laws, Regulations and Guidelines.

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5.2.3 Subject to Clause 5.2.2, the Manager may extend a discount to the Issue Price under an initial public offering of Units to any applicant who successfully applies to purchase more than such number of Units (as determined by the Manager in its absolute discretion) in a single application, subject to compliance with the Listing Rules and any Relevant Laws, Regulations and Guidelines.

5.2.4 The Manager may issue Units at the Issue Price determined in accordance with Clause 5.2.2 to the vendor of any Authorised Investments to be purchased by the Trust in conjunction with an initial public offering of Units, or to any person nominated by such vendor, in full or partial satisfaction of the consideration or any deferred purchase consideration payable by the Trust for such Authorised Investments.

5.3 Issue Price of Units when the Trust is Listed

5.3.1 Subject to Clauses 5.3.2 and 5.3.3 and any Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Manager may issue Units on any Business Day at an Issue Price equal to the Market Price, without the prior approval of the Holders in a meeting of Holders. For this purpose “**Market Price**” shall mean:

- (i) the volume weighted average price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST, or such other Recognised Stock Exchange on which the Trust is Listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST or the relevant Recognised Stock Exchange) immediately preceding the relevant Business Day; or
- (ii) if the Manager believes that the calculation in Clause 5.3.1(i) does not provide a fair reflection of the market price of a Unit, an amount as determined by the Manager and the Trustee (after consultation with a Stockbroker approved by the Trustee), as being the fair market price of a Unit and the basis for determining the market price will be announced on the SGXNET for so long as the Trust is Listed on the SGX-ST.

5.3.2 Subject to Clause 5.3.3, for so long as the Trust is Listed on the SGX-ST, the Manager may issue Units at an Issue Price other than calculated in accordance with Clause 5.3.1 without the prior approval of the Holders in a meeting of Holders provided that in determining the Issue Price and the premium or discount, if any, to the Issue Price, including, but not limited to:

- (i) the Issue Price for a rights issue on a pro-rata basis to all existing Holders;
- (ii) the Issue Price of a Unit issued other than by way of a rights issue offered on a pro-rata basis to all existing Holders;
- (iii) the Issue Price for any reinvestment of distribution arrangement;

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- (iv) the Issue Price for any Units which are issued as full or partial consideration for the acquisition of an Authorised Investment by the Trust; and
- (v) the Issue Price for a conversion of instruments which may be convertible into Units,

the Manager complies with the Listing Rules and any other Relevant Laws, Regulations and Guidelines in determining the Issue Price. If the Issue Price determined by the Manager is at a discount to the Market Price, the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Property Funds Appendix or any other Relevant Laws, Regulations and Guidelines.

- 5.3.3** Where Units are issued as full or partial consideration for the acquisition of an Authorised Investment by the Trust in conjunction with an issue of Units to raise cash for the balance of the consideration for the said Authorised Investment (or part thereof) or to acquire other Authorised Investments in conjunction with the said Authorised Investment, the Manager shall have the discretion to determine that the Issue Price of a Unit so issued as full or partial consideration shall be the same as the Issue Price for the Units issued in conjunction with an issue of Units to raise cash for the aforesaid purposes.

5.4 Issue Price of Units where the Units are Suspended or the Trust is Delisted

Where the Units and/or the Trust become Unlisted after the Listing Date, the Manager may issue Units at an Issue Price equal to the Current Unit Value on the date of the issue of the Unit plus, if so determined by the Manager, an amount equal to the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the Manager for its own benefit and the amount of the adjustment shall be retained as part of the Deposited Property.

5.5 Units to be Issued on Unpaid or Partly Paid Basis

- 5.5.1** No Units shall be issued on an unpaid or partly paid basis, unless such issue is approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1. In the event such issue is approved, capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in distributions.

- 5.5.2** In the event that the Manager issues Units on an unpaid or partly paid basis to any person, the provisions of Clauses 5.5.3 and 5.5.4 shall apply.

5.5.3 Calls on Units

- (i) The Manager may from time to time make calls upon the Holders in respect of any moneys unpaid on their Units but subject always to the terms of issue of such Units. A call may be made payable by instalments.

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- (ii) Each Holder shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Trust at the time or times and place so specified the amount called on his Units. The Joint Holders of a Unit shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Manager may determine.
- (iii) If a sum called in respect of a Unit is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 10.0% per annum) as the Manager may determine but the Manager shall be at liberty in any case or cases to waive payment of such interest wholly or in part.
- (iv) Any sum which by the terms of issue of a Unit becomes payable upon allotment or at any fixed date shall for all the purposes of this Deed be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of this Deed as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- (v) The Manager may on the issue of Units differentiate between the holders as to the amount of calls to be paid and the times of payment.
- (vi) The Manager may if it thinks fit receive from any Holder willing to advance the same, all or any part of the moneys uncalled and unpaid upon the Units held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the Units in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Trust may pay interest at such rate (not exceeding 8.0% per annum) as the Holder paying such sum and the Manager may agree. Capital paid on Units in advance of calls shall not while carrying interest, confer a right to participate in profits.

5.5.4 Forfeiture and Lien

- (i) If a Holder fails to pay in full any call or instalment of a call on the due date for payment thereof, the Manager may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Trust by reason of such non-payment.
- (ii) The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the Units on which the call has been made will be liable to be forfeited.

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- (iii) If the requirements of any such notice as aforesaid are not complied with, any Unit in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by the Manager. Such forfeiture shall include all distributions declared in respect of the forfeited Unit and not actually paid before forfeiture. The Manager may accept a surrender of any Unit liable to be forfeited hereunder.
- (iv) A Unit so forfeited shall become the property of the Trust and may be sold, re allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Manager shall think fit and at any time before a sale, re allotment or disposition the forfeiture may be cancelled on such terms as the Manager thinks fit. The Manager may, if necessary, authorise some person to transfer or effect the transfer of a forfeited Unit to any such other person as aforesaid.
- (v) A Holder or Depositor whose Units have been forfeited or surrendered shall cease to be a holder in respect of the Units but shall notwithstanding the forfeiture or surrender remain liable to pay to the Trust all moneys which at the date of forfeiture or surrender were presently payable by him to the Trust in respect of the Units with interest thereon at 8.0% per annum (or such lower rate as the Manager may determine) from the date of forfeiture or surrender until payment and the Manager may at its absolute discretion enforce payment without any allowance for the value of the Units at that time of forfeiture or surrender or waive payment in whole or in part.
- (vi) The Trust shall have a first and paramount lien on every Unit (not being a fully paid Unit) and distributions from time to time declared in respect of such Units provided that such lien shall be restricted to unpaid calls and instalments upon the specific Units in respect of which such moneys are due and unpaid, and to such amounts as the Trust may be called upon by law to pay in respect of the Units of the holder or deceased holder. The Manager may waive any lien which has arisen and may resolve that any Unit shall for some limited period be exempt wholly or partially from the provisions of this Clause.
- (vii) The Trust may sell in such manner as the Manager thinks fit any Unit on which the Trust has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the Unit or the person entitled thereto by reason of his death or bankruptcy.

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- (viii) The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities and any residue shall be paid to the person entitled to the Units at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale the Manager may authorise some person to transfer or effect the transfer of the Units sold to the purchaser.

- (ix) A statutory declaration in writing that the declarant is a director or secretary of the Manager and that a Unit has been duly forfeited or sold to satisfy a lien of the Trust on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Unit. Such declaration and the receipt of the Trust for the consideration (if any) given for the Unit on the sale, re allotment or disposal thereof together (where the same be required) with the confirmation note delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the Unit and the Unit shall be registered in the name of the person to whom the Unit is sold, re allotted or disposed of or, where such person is a Depositor, the Manager shall procure that his name be entered in the Depository Register in respect of the Unit so sold, re allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the Unit be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re allotment or disposal of the Unit.

5.6 Units Issued to Persons Resident outside Singapore

- 5.6.1 If a Unit is to be issued to a person resident outside Singapore, the Manager shall be entitled to charge for its own account an additional amount to the Issue Price thereof which is equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if such person had been resident in Singapore.

- 5.6.2 In relation to any rights issue or (as the case may be) any preferential offering, the Manager may in its absolute discretion elect not to extend an offer of Units under the rights issue or preferential offering to those Holders whose addresses are outside Singapore, after having regard to the relevant considerations including whether the Manager considers such election to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place. In the case of a rights issue, the provisional allocations of Units of such Holders may be offered for sale by the Manager as the nominee and authorised agent of each such relevant Holder in such manner and at such price as the Manager may determine. Where necessary, the Trustee shall have the discretion to impose such other terms and conditions in connection with the sale. The proceeds of any such sale if successful will be paid to the relevant Holders whose rights or entitlements have been thus sold PROVIDED THAT, where the proceeds payable to any single Holder is less than S\$10, the Manager shall be entitled to retain such proceeds as part of the Deposited Property.

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5.7 Non-payment of Issue Price

Subject to the Relevant Laws, Regulations and Guidelines and unless otherwise provided in the relevant agreement, application form or other document relating to the issuance of the Units, where (i) where payment of the Issue Price payable in respect of any Unit agreed to be issued by the Manager has not been received before the seventh Business Day after the date on which the Unit was agreed to be issued (or such other date as the Manager and the Trustee may agree) or (ii) the Issue Price paid in respect of any Unit is returned to the holder (in respect of sub-paragraph (i)) the agreement to issue such Unit and (in respect of sub-paragraph (ii) such Units may, in its absolute discretion, at that time or any time thereafter be cancelled by the Manager by giving notice to that effect to the applicant and such Unit shall thereupon be deemed never to have been issued or agreed to be issued (as the case may be) and the applicant therefor shall have no right or claim in respect thereof against the Manager or the Trustee, PROVIDED THAT:

- 5.7.1 no previous valuations of the Trust shall be re-opened or invalidated as a result of the cancellation of such Units;
- 5.7.2 the Manager shall be entitled to charge the applicant (and retain for its own account) a cancellation fee of such amount as they may from time to time determine to represent the administrative costs involved in processing the application for such Units from such applicant; and
- 5.7.3 the Manager may, but shall not be bound to, require the applicant to pay to the Manager for the account of the Trust in respect of each Unit so cancelled the amount (if any) by which the Issue Price of each such Unit exceeds the Repurchase Price which would have applied in relation to each such Unit if the Manager had received on such day a request from such applicant for the repurchase or redemption thereof.

5.8 Updating of Securities Account

For so long as the Trust is Listed on the SGX-ST, the Manager shall cause the Depository to effect the book entry of Units issued to a Holder into such Holder's Securities Account no later than the tenth Business Day after the date on which those Units are agreed to be issued by the Manager.

5.9 Selling Price of Manager's Units

For so long as the Trust is Unlisted, each Unit of which the Manager is or is deemed to be the Holder may be sold or offered for sale by the Manager at a price equal to the total of the Current Unit Value of that Unit on the day of the sale or offer, the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the Manager for its own benefit and the amount of the adjustment shall be retained as part of the Deposited Property.

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5.10 Discounts

In the event a Preliminary Charge is imposed on the issue of Units where the Trust is Unlisted, the Manager may on any day differentiate between applicants as to the amount of the Preliminary Charge to be imposed (within the permitted limit) on the Issue Price of Units issued to them respectively and likewise the Manager may on any day on the issue of Units allow any person or persons applying for larger numbers of Units than others a discount or discounts on the Issue Price of their Units on such basis or on such scale as the Manager may think fit (PROVIDED THAT no such discount shall exceed the Preliminary Charge included in the Issue Price of the Units concerned) and in any such case, the amount of such Preliminary Charge to be deducted from the proceeds of issue of such Units shall be reduced by the amount of the discount and accordingly the discount shall be borne by the Manager. Besides the number of Units purchased, the bases on which the Manager may differentiate between applicants as to the amount of the Preliminary Charge to be included in the Issue Price of their Units depends on several other factors, including but not limited to, the performance of and the marketing strategy adopted by the Manager for the Trust.

5.11 Statement of Dealings

The Manager shall furnish to the Trustee from time to time on demand a statement of all issues of Units and of the terms on which the same are issued and of any Investments which it determines to direct to be purchased for account of the Trust, and also a statement of any Investments which in accordance with the powers hereinafter contained it determines to direct to be sold for account of the Trust, and any other information which may be necessary so that the Trustee may be in a position to ascertain at any moment the Net Asset Value of the Deposited Property. The Trustee shall be entitled to require that the Manager refuse to issue a Unit if at any time the Trustee is of the opinion that the provisions of this Clause 5 in regard to the issue of Units are being infringed; but nothing in this Clause 5.11 or elsewhere in this Deed contained shall impose upon the Trustee any responsibility for satisfying itself before issuing Units that the Manager has complied with the conditions of this Clause 5.

5.12 Suspension of Issue

The Manager or the Trustee may, with the prior written approval of the other and subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange (while the Trust is Listed), suspend the issue of Units during any of the following events:

- 5.12.1 any period when the SGX-ST or any other relevant Recognised Stock Exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;
- 5.12.2 the existence of any state of affairs which, in the opinion of the Manager or (as the case may be) the Trustee might seriously prejudice the interests of the Holders as a whole or of the Deposited Property;
- 5.12.3 any breakdown in the means of communication normally employed in determining the price of any Investments or (if relevant) the current price thereof on the SGX-ST or any other relevant Recognised Stock Exchange or when for any reason the prices of any Investments cannot be promptly and accurately ascertained;

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- 5.12.4 any period when remittance of money which will or may be involved in the realisation of any Investments or in the payment for any Investments cannot, in the opinion of the Manager, be carried out at normal rates of exchange;
- 5.12.5 any period where the issuance of Units is suspended pursuant to any order or direction issued by the Authority or other relevant regulatory authorities;
- 5.12.6 in relation to any general meeting of the Holders, any 48 hour period before such general meeting or any adjournment thereof; or
- 5.12.7 when the business operations of the Manager or the Trustee in relation to the operation of the Trust are substantially interrupted or closed as a result of, or arising from, nationalisation, expropriation, currency restrictions, pestilence, widespread communicable and infectious diseases, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes, nuclear fusion or fission or acts of God.

Such suspension shall take effect forthwith upon the declaration in writing thereof by the Manager or (as the case may be) the Trustee and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this Clause 5.12 shall exist upon the declaration in writing thereof by the Manager or (as the case may be) the Trustee. In the event of any suspension while the Trust is Listed, the Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST or the relevant Recognised Stock Exchange.

5.13 Issue of Instruments Convertible into Units

The Manager may issue instruments which may be convertible into Units (including but not limited to any options, Securities, warrants, debentures or other instruments that might or would require Units to be issued) for consideration or for no consideration and on such terms of offer and issue as the Manager may determine, subject to Clause 5.1 and any Relevant Laws, Regulations and Guidelines relating to the offer or issue of instruments which may be convertible into Units.

5.14 Issue of Preference Units

- 5.14.1 Preference Units may be issued subject to Clause 5.1 and any Relevant Laws, Regulations and Guidelines, as well as any limitation as may be prescribed by the SGX-ST or any Recognised Stock Exchange upon which Units may be listed. The total number of issued Preference Units shall not exceed the total number of Units issued at any time.
- 5.14.2 Preference Holders shall have the same rights as ordinary Holders as regards receiving of notices, reports and balance sheets and attending meetings of Holders, and Preference Holders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Trust or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the distribution on the preference Units is more than six months in arrear.

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5.14.3 The Manager has the power to issue further preference capital ranking equally with, or in priority to, Preference Units already issued.

5.14.4 The Manager may by deed supplemental hereto issue Classes of Units under such terms and conditions as may be contained therein.

5.15 Issue of Units Stapled to Other Securities

5.15.1 Subject to Clause 5.1, the Manager may issue Units at any time to any person on the basis that such Units are to be Stapled to another Security or other Securities as Stapled Securities and on such terms and conditions as the Manager may determine in its absolute discretion.

5.15.2 For the purposes of this Clause 5.15, the Manager shall determine the proportion of the Issue Price, the Repurchase Price or buy-back price of the Stapled Security which is to represent the Issue Price, the Repurchase Price or buy-back price of the Unit comprising part of the Stapled Security pursuant to the terms and conditions of any agreement or deed entered into by the Manager and the Trustee for the purpose of issuing Units Stapled with any other Security or Securities.

5.15.3 For so long as the Stapled Group is Unlisted, the Manager may determine from time to time the proportion of the Current Stapled Security Value which is to represent the price of the Unit comprising part of the Stapled Security pursuant to the terms and conditions of any agreement or deed entered into by the Manager, the Trustee and any other part(y/ies) for the purpose of issuing Units Stapled with any other Security or Securities.

5.15.4 In the event that the Stapled Group is Listed, the Manager may determine from time to time the proportion of the Market Price of the Stapled Security which is to represent the price of the Unit comprising part of the Stapled Security pursuant to the terms and conditions of any agreement or deed entered into by the Manager and the Trustee for the purpose of issuing Units Stapled with any other Security or Securities. For this purpose “**Market Price**” shall mean the volume weighted average price for a Stapled Security (if applicable, of the same Class) for all trades on the SGX-ST, or such other Recognised Stock Exchange on which the Stapled Securities are Listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST or relevant Recognised Stock Exchange) immediately preceding the relevant Business Day.

7. Repurchase and Redemption of Units by Manager

7.1 Repurchase and Redemption Restrictions when Trust is Unlisted

When the Trust is Unlisted, the Manager may, but is not obliged to, repurchase or cause the redemption of Units more than once a year in accordance with the Property Funds Appendix and a Holder has no right to request for the repurchase or redemption of Units more than once a year. Where the Manager offers to repurchase or cause the redemption of Units issued when the Trust is Unlisted and, upon acceptance of such an offer, the Manager shall do so at the Repurchase Price calculated in accordance with Clause 7.3.1.

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7.2 Repurchase and Redemption Restrictions when Trust is Listed

The Manager is not obliged to repurchase or cause the redemption of Units so long as the Trust is Listed. Where the Manager offers to repurchase or cause the redemption of Units issued when the Trust is Listed and, upon acceptance of such an offer, the Manager shall do so at the Repurchase Price calculated in accordance with Clause 7.3.2. In the event the Manager decides to repurchase or cause the redemption of Units, such repurchase or redemption must comply with the Relevant Laws, Regulations and Guidelines or any applicable laws and regulations and must have obtained the prior approval of Holders in general meeting by passing an Ordinary Resolution (the “**Unit Buy-back Mandate**”). The Manager may, subject to the Relevant Laws, Regulations and Guidelines or any applicable laws and regulations, suspend the repurchase or redemption of Units for any period when the issue of Units is suspended pursuant to Clause 5.12.

7.3 Repurchase Price

For the purposes of Clauses 7.1 and 7.2, the Repurchase Price shall be:

7.3.1 in respect of the repurchase or redemption of Units prior to the Listing Date, an amount determined by the Manager in its absolute discretion. Such amount may be less than, equal to or more than the Current Unit Value of the relevant Units on the day the Manager’s offer to repurchase or cause the redemption of Units is accepted; and

7.3.2 in respect of the repurchase or redemption of Units after the Listing Date (whether or not the Trust is Listed or has been Unlisted at the time the Manager’s offer to repurchase or redeem Units is made), unless prohibited by the Relevant Laws, Regulations and Guidelines, the Current Unit Value of the relevant Units on the day the request is accepted by the Manager less the Repurchase Charge and less an amount to adjust the resultant total downwards to the nearest whole cent.

The Repurchase Charge shall be retained by the Manager for its own benefit and the adjustment shall be retained as part of the Deposited Property. The Manager may on any day differentiate between Holders as to the amount of the Repurchase Charge to be included (within the permitted limit) in the Repurchase Price of Units to be repurchased by the Manager from them respectively. The bases on which the Manager may make any differentiation as between Holders shall include, without limitation, Holders with large holdings of Units and Holders who have opted for a distribution reinvestment arrangement. Once a request for repurchase or redemption is given, it cannot be revoked without the consent of the Manager. The Manager may, subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange, suspend the repurchase or redemption of Units during any period when the issue of Units is suspended pursuant to Clause 5.12.

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7.4 Repurchase or Redemption Options of Manager

In the event the Manager decides to make any offer to repurchase or redeem Units, the Manager shall, PROVIDED THAT there is sufficient Cash in the Trust, and subject to the Manager and the Trustee complying with the Listing Rules and/or the listing rules of any other relevant Recognised Stock Exchange and the Property Funds Appendix, request and cause the Trustee to redeem the Units out of the assets of the Trust by paying from the Deposited Property a sum sufficient to satisfy the Repurchase Price and the Repurchase Charge (if any) of the Units. The Trustee shall only comply if, in the opinion of the Trustee, sufficient Cash would be retained in the Deposited Property after the release of Cash necessary to comply with the redemption notice to meet other liabilities of the Trust, including but without limiting the generality thereof, the Property Expenses and the remuneration due to the Trustee and the Manager under this Deed. Should the Trustee advise the Manager that, in the opinion of the Trustee, sufficient Cash would not be retained in the Deposited Property to meet other liabilities of the Trust if the Trustee were to release the funds necessary to comply with any redemption notice, then the Manager may, at its absolute discretion, request the Trustee to sell, mortgage or otherwise deal with the Investments or borrow to raise sufficient Cash to redeem the Units pursuant to this Clause 7.4.

7.5 Authority and Limits on the Purchase of Units

7.5.1 Maximum Limit

The total number of Units which may be purchased pursuant to any Unit Buy-back Mandate is limited to that number of Units representing not more than 10% of the total number of issued Units as at the date of the general meeting when such Unit Buy-back Mandate is approved by Holders.

7.5.2 Duration of Authority

Purchases of Units may be made during the Relevant Period. For the purpose of this Clause 7.5.2, “**Relevant Period**” is the period commencing from the date of the general meeting at which a Unit Buyback Mandate is sought and the resolution relating to the Unit Buy-back Mandate is passed, and expiring on the earlier of:

- (i) the date on which the next annual general meeting of Holders is held;
- (ii) the date by which the next annual general meeting of Holders is required by law or the provisions of this Deed to be held; or
- (iii) the date on which the purchases of Units by the Trustee-Manager pursuant to the Unit Buy-back Mandate are carried out to the full extent mandated.

For the avoidance of doubt, the authority conferred on the Trustee-Manager by the Unit Buy-back Mandate to purchase Units may be renewed at the next annual general meeting of Holders.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

7.6 Solvency of the Trust

The Manager may purchase Units out of the assets of the Trust by paying a sum sufficient to satisfy the Repurchase Price calculated in accordance with Clause 7.3. Each time the Manager effects the repurchase of Units on behalf of the Trust, pursuant to the Unit Buy-Back Mandate and in accordance with a resolution passed by the board of directors of the Manager, at least two directors of the Manager will confirm that:

7.6.1 the Trust is able to pay its debts in full at the time of any purchase of Units and will be able to pay its debts as they fall due in the normal course of business during the period 12 months immediately following the date of any purchase of Units; and

7.6.2 the value of the Trust's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the proposed purchase of Units, become less than the value of its liabilities (including contingent liabilities).

7.7 Redeemed Units are Cancelled

Units which are repurchased shall be cancelled and shall not thereafter be reissued or dealt with in any manner subject to the requirements of the Relevant Laws, Regulations and Guidelines. For the avoidance of doubt, this Clause 7.7 shall not limit or restrict the right of the Manager to cause the creation and/or issue of further or other Units. On the cancellation of any Unit under this Clause 7.7, the rights and privileges attached to that Unit shall expire.

7.8 Source of Funds

The Manager may not purchase Units of the Trust for a consideration other than in cash. The Manager may utilise any source of funds available to it to finance the Manager's purchase of Units on behalf of the Trust pursuant to any Unit Buy-back Mandate, subject always to the requirements of the applicable laws and/or regulations in force at the relevant time.

7.9 Manner of Purchase

Subject always to the requirements of the Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Manager may:

7.9.1 purchase or acquire Units on a securities exchange ("**Market Purchase**"); or

7.9.2 make an offer to purchase Units, otherwise than on a securities exchange and by way of an "off-market" acquisition of the Units on an "equal access scheme" (as defined below) ("**Off-market Purchase**"),

and to deal with any of the Units so purchased or acquired in accordance with this Clause 7.

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For the purposes of this Clause 7, an “**equal access scheme**” is a scheme which satisfies the following criteria:

- (i) the offers under the scheme are to be made to every person who holds Units to purchase or acquire the same percentage of their Units;
- (ii) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers are the same except that there shall be disregarded:
 - (a) differences in consideration attributable to the fact that the offers relate to Units with different accrued distribution entitlements;
 - (b) differences in consideration attributable to the fact that the offers relate to Units with different amounts remaining unpaid; and
 - (c) differences in the offers introduced solely to ensure that each Holder is left with a whole number of Units.

7.10 Procedure for Purchase of Units via a Market Purchase

7.10.1 For so long as the Trust is Listed, where Units are purchased via a Market Purchase, the notice of general meeting of Holders specifying the intention to propose a resolution to authorise a Market Purchase shall:

- (i) specify the maximum number of Units or the maximum percentage of Units of the Trust authorised to be acquired or purchased;
- (ii) determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person’s discretion or opinion);
- (iii) specify a date on which the authority is to expire, being a date that must not be later than the date on which the next annual general meeting is, or is required by law to be, held, whichever is earlier; and
- (iv) specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust’s financial position.

7.10.2 The resolution authorising a Market Purchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 7.10.1(i) to 7.10.1(iii).

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7.10.3 The authority for a Market Purchase may, from time to time, be varied or revoked by Holders in a general meeting. A resolution to confer or vary the authority for a Market Purchase may determine the maximum price for purchase or acquisition by:

- (i) specifying a particular sum; or
- (ii) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

7.11 Procedure for Purchase of Units via an Off-Market Purchase

7.11.1 For so long as the Trust is Listed, where Units are purchased via an Off-Market Purchase, the notice of general meeting of Holders specifying the intention to propose a resolution to authorise an Off-Market Purchase shall:

- (i) specify the maximum number of Units or the maximum percentage of Units of the Trust authorised to be acquired or purchased;
- (ii) determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion);
- (iii) specify a date on which the authority is to expire, being a date that must not be later than the date on which the next Annual General Meeting is, or is required by law to be, held, whichever is earlier; and
- (iv) specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

7.11.2 The resolution authorising an Off-Market Purchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 7.11.1(i) to 7.11.1(iii).

7.11.3 The authority for an Off-Market Purchase may, from time to time, be varied or revoked by Holders in a general meeting. A resolution to confer or vary the authority for an Off-Market Purchase may determine the maximum price for purchase or acquisition by:

- (i) specifying a particular sum; or
- (ii) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

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7.11.4 For so long as the Trust is Listed, in the event that the Manager decides to make any offer to purchase Units via an Off-Market Purchase, the Manager will send an offer notice to Holders in the event of any such offer to purchase Units. Holders wishing to take up the offer will be asked to respond by sending a request in writing for the purchase of their Units together with the certificate or certificates (if any) representing such Units. At such request in writing of a Holder (or, in the case of Joint Holders, all the Joint Holders), the Manager will purchase, in accordance with this Clause 7 and the Relevant Laws, Regulations and Guidelines, such number of Units in relation to which the Holder is registered in the Depository Register as are required by the Holder to be purchased.

7.12 Amendments to Register

Upon delivery to the Trustee of a written statement signed by or on behalf of the Manager that all the Units or a specified number of Units held by a Holder have been repurchased by the Manager or have been purchased by another person or have been redeemed, the Trustee shall remove or procure the removal of the name of the Holder from the Register in respect of all or (as the case may be) such number of Units.

7.13 Reporting Requirements

Subject to the Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Manager shall notify the SGX-ST (in the form of an announcement on the SGXNET) of all purchases of Units in accordance with the Listing Rules and in such form and shall include such details as the SGX-ST may prescribe.

(b) A-HTRUST BT TRUST DEED

2. Provisions as to Units, Holders and Statements of Holdings

2.1 No Certificates

2.1.1 No certificate shall be issued to Holders by the Trustee-Manager in respect of Units (whether Listed or Unlisted) issued to Holders. For so long as the Trust is Listed on the SGX-ST, the Trustee-Manager shall, pursuant to the Depository Services Terms and Conditions, appoint the Depository as the Unit depository for the Trust and all Units issued will be deposited with the Depository and represented by entries in the Register in the name of the Depository as the registered Holder thereof.

2.1.2 For so long as the Trust is Listed on the SGX-ST, the Trustee-Manager or the Registrar shall issue to the Depository, not more than 10 Business Days after the issue of Units, a confirmation note confirming the date of issue and the number of Units so issued and, if applicable, also stating that the Units are issued under a moratorium and the expiry date of such moratorium. For the purposes of this Deed, such a confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

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2.2 Form of Statements of Holdings

- 2.2.1** In the event the Trust is or becomes Unlisted, the Trustee-Manager or the Registrar shall issue to each Holder not more than one month after the allotment of Units to such Holder a confirmation note confirming such allotment. The Trustee-Manager or the Registrar shall, for so long as the Trust is Unlisted, issue to each Holder on a calendar quarterly basis (or such other period as may be determined by the Trustee-Manager) a statement of holdings (the “**Statement of Holdings**”). A Statement of Holdings shall be dated and shall specify the number of Units held by each Holder in respect of the preceding quarter (or such other relevant period) and the transactions in respect of such Units and shall be in such form as may from time to time be determined by the Trustee-Manager.
- 2.2.2** For so long as the Trust is Listed and Units are registered in the name of the Depository, the Depository shall, issue to each Depositor the relevant contract statements, confirmation notes, statements of accounts balances, and at such intervals, as may be provided in the Depository’s terms and conditions for operation of Securities Accounts.

2.3 Sub-division and Consolidation of Units

- 2.3.1** The Trustee-Manager may, at any time and on giving prior written notice (such notice period shall be determined by the Trustee-Manager in its absolute discretion) to each Holder or (as the case may be) to each Depositor by the Trustee-Manager delivering such notice in writing to such Holder or the Depository for onward delivery to the Depositors, determine that each Unit shall be sub-divided into two or more Units or consolidated with one or more other Units and the Holders shall be bound accordingly.
- 2.3.2** The Trustee-Manager shall require each Holder (who shall be bound accordingly) to deliver up his confirmation note or notes (if any) for endorsement or enfacement with the number of Stapled Securities thereby represented as a result of such sub-division or consolidation, or (in the case of a sub-division only) send or cause to be sent to each Holder at his risk, a confirmation note representing the number of additional Stapled Securities to which he has become entitled by reason of the sub-division.
- 2.3.3** The Register shall be altered accordingly to reflect the new number of Units held by each Holder as a result of such sub-division or consolidation and, where applicable, the Trustee-Manager shall cause the Depository to alter the Depository Register accordingly in respect of each relevant Depositor’s Securities Account to reflect the new number of Units or where so permitted by the Relevant Laws, Regulations and Guidelines, the new number of Stapled Securities held by each Depositor as a result of such sub-division or consolidation.

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2.4 Terms and Conditions of Trust Deed, Supplemental Deeds and Stapling Deed to Bind Holders

2.4.1 The terms and conditions of this Deed and of any supplemental deed (including any amending and restating deed) shall be binding on each Holder and all persons claiming through him as if he had been party thereto and as if this Deed and any supplemental deed (including any amending and restating deed) contained covenants on the part of each Holder to observe and be bound by all the provisions hereof and an authorisation by each Holder to do all such acts and things as this Deed and any supplemental deed (including any amending and restating deed) may require the Trustee-Manager to do.

2.4.2 For so long as the Trust and A-HREIT are part of a Stapled Group and the Units are stapled with A-HREIT Units, the terms and conditions of the Stapling Deed and of any supplemental deed (including any amending and restating deed) shall be binding on each Holder and all persons claiming through him as if he had been party thereto and as if this Deed and any supplemental deed (including any amending and restating deed) contained covenants on the part of each Holder to observe and be bound by all the provisions hereof and an authorisation by each Holder to do all such acts and things as the Stapling Deed and any supplemental deed (including any amending and restating deed) may require the Trustee-Manager to do.

2.5 Availability of Trust Deed

A copy of this Deed and of any supplemental deed (including any amending and restating deed) for the time being in force shall be made available for inspection at the registered office of the Trustee-Manager at all times during usual Business Hours and shall be supplied by the Trustee-Manager to any person in accordance with the Relevant Laws, Regulations and Guidelines on application at a charge not exceeding S\$10 per copy document.

2.6 Rights attached to Units

The rights attached to Units issued upon special conditions shall be clearly defined in this Deed. Without prejudice to any special right previously conferred on the Holders of any existing Units or Class of Units but subject to the Relevant Laws, Regulations and Guidelines and this Deed, any Units may be issued by the Trustee-Manager and any such Units may be issued with such preferred, deferred, subordinated or other special rights or such restrictions, whether in regard to distributions, voting or otherwise as the Trustee-Manager may determine.

2.7 Variation of Rights

2.7.1 If at any time different Classes of Units are issued, the rights attached to any Class (unless otherwise provided by the terms of issue of the Units of that Class) may, subject to the provisions of the Relevant Laws, Regulations and Guidelines, whether or not the Trust is being wound up, be varied or abrogated with the sanction of an Extraordinary Resolution of the Holders in respect of Units of that Class, and to every such Extraordinary Resolution the provisions of this Deed relating to meetings of Holders shall apply *mutatis*

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mutandis PROVIDED THAT the necessary quorum shall be two persons at least holding or representing by proxy or by attorney one-third of the issued Units of the Class, PROVIDED ALWAYS that where the necessary majority for such an Extraordinary Resolution is not obtained at such meeting of Holders, consent in writing if obtained from holders of three-quarters of the issued Units of the class concerned within two months of such meeting of Holders shall be as valid and effectual as an Extraordinary Resolution at such meeting of Holders. This Clause 2.7 shall apply to the repayment of Preference Units or variation or abrogation of the special rights attached to only some of the Units of any class as if each group of Units of the class differently treated formed a separate class the special rights whereof are to be varied.

- 2.7.2** The rights conferred upon the Holders of the Units of any Class issued with preferred, deferred, subordinated or other rights shall not, unless otherwise expressly provided by the terms of issue of the Units of that Class or by this Deed as are in force at the time of such issue, be deemed to be varied by the creation or issue of further Units ranking equally therewith.

2.8 Units to be Held Free from Equities

A Holder entered in the Register as the registered holder of Units or (as the case may be) a Depositor whose name is entered in the Depository Register in respect of Units registered to him, shall be the only person entitled to be recognised by the Trustee-Manager as having any right, title or interest in or to the Units registered in his name and the Trustee-Manager may recognise such Holder or (as the case may be) such Depositor as the absolute owner thereof and shall not be bound by any notice to the contrary and shall also not be bound to take notice of or to see to the execution of any trust, express, implied or constructive, save as herein expressly provided or save as required by any court of competent jurisdiction to recognise any trust or equity or other interest affecting the title to any Units. Save as provided in this Deed, no notice of any trust, express, implied or constructive, shall be entered on the Register or the Depository Register.

2.9 Restrictions on Directions

The Holders shall not give any directions to the Trustee-Manager (whether at a meeting of Holders convened pursuant to Clause 28 or otherwise) if it would require the Trustee-Manager to do or omit from doing anything which may result in:

- 2.9.1** the Trust or the Trustee-Manager ceasing to comply with the Relevant Laws, Regulations and Guidelines or any other applicable laws and regulations; or
- 2.9.2** the exercise of any discretion expressly conferred on the Trustee-Manager by this Deed or the determination of any matter which under this Deed requires the agreement of the Trustee-Manager, PROVIDED THAT nothing in this Clause 2.9.2 shall limit the right of a Holder to require the due administration of the Trust in accordance with this Deed.

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2.10 Provisions as to Units, Holders and Statements of Holdings where Trust is part of the Stapled Group

In the event that the Trust is part of the Stapled Group, the provisions of this Clause 2 shall apply, with such modifications and qualifications as may be necessary, as though references to Holders and Units were references to the holder of Stapled Securities and Stapled Securities respectively and reference to this Deed shall be read to include the Stapling Deed.

3. Registration of Holders

3.1 Register of Holders

3.1.1 The Trustee-Manager shall exercise Due Care in procuring an up-to-date Register to be kept in Singapore in such manner as may be required by any Relevant Laws, Regulations and Guidelines. The Register shall be maintained at all times whether the Trust is Listed or Unlisted. For so long as the Trust is Listed, the Trustee-Manager or the Registrar shall record the Depository as the registered Holder of all Units in issue in the Register. In the event the Trust is Unlisted, the Trustee-Manager shall record each Holder as the registered Holder of Units held by such Holder. The Trustee-Manager shall be entitled to appoint the Registrar to keep and maintain the Register.

3.1.2 There shall be entered in the Register, in respect of each Holder or person who has ceased to be a Holder, the following information as soon as practicable after the Trustee-Manager or the Registrar receives the following relevant information:

- (i) the names and addresses of the Holders (and, in the case where the registered Holder is the Depository, the name and address of the Depository);
- (ii) the Class of Units held by each Holder;
- (iii) the number of Units held by each Holder;
- (iv) the date on which every such person entered in respect of the Units standing in his name became a Holder and, where he became a Holder by virtue of an instrument of transfer a sufficient reference to enable the name and address of the transferor to be identified;
- (v) the date on which any transfer is registered and the name and address of the transferee; and
- (vi) the date on which any person ceases or ceased to be a Holder of Units.

3.1.3 Units may be issued to Joint Holders with no limit as to the number of persons who may be registered as Joint Holders.

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3.2 Unlisted Units

For so long as the Trust is Unlisted, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Holder and, in the event of any discrepancy between the entries in the Register and the details appearing on any Statement of Holdings, the entries in the Register shall prevail unless the Holder proves to the satisfaction of the Trustee-Manager that the Register is incorrect.

3.3 Listed Units

3.3.1 For so long as the Trust is Listed on the SGX-ST, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by the Depository and each Holder (other than the Depository) and, in the event of any discrepancy between the entries in the Register and the confirmation notes issued by the Trustee-Manager to the Depository or (as the case may be) the Holder under Clause 2.1, the entries in the Register shall prevail unless the Trustee-Manager and the Depository mutually agree that the Register is incorrect and in the case of a Holder (other than the Depository), where the Holder proves to the satisfaction of the Trustee-Manager that the Register is incorrect.

3.3.2 For so long as the Trust is Listed on the SGX-ST, the Trustee-Manager shall have entered into the Depository Services Terms and Conditions for the Depository to maintain a record in the Depository Register of the Depositors having Units credited into their respective Securities Accounts and to record in the Depository Register the information referred to in Clauses 3.1.2(i) to 3.1.2(vi) in relation to each Depositor. Each Depositor named in the Depository Register shall for such period as the Units are entered against his name in the Depository Register, be deemed to be the owner in respect of the number of Units entered against such Depositor's name in the Depository Register and the Trustee-Manager shall be entitled to rely on any and all such information in the Depository Register. Subject to the terms of the Depository Services Terms and Conditions, two or more persons may be registered as Joint Depositors of Units.

3.3.3 The entries in the Depository Register shall (save in the case of manifest error) be conclusive evidence of the number of Units held by each Depositor and, in the event of any discrepancy between the entries in the Depository Register and the details appearing in any contract statements, confirmation notes, statements of account balances and statements of transactions and accounts balances issued by the Depository, the entries in the Depository Register shall prevail unless the Depositor proves to the satisfaction of the Trustee-Manager and the Depository, that the Depository Register is incorrect.

3.4 Change of Name or Address

For so long as the Trust is Unlisted, any change of name or address on the part of any Holder shall forthwith be notified by such Holder to the Trustee-Manager, whether in writing or in such other manner as the Trustee-Manager may approve, who, on being satisfied with the change in name or address and that all formalities as may be required by the Trustee-Manager have been complied with, shall alter or cause to be altered the Register accordingly.

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3.5 Inspection of Register

Except when the Register is closed in accordance with Clause 3.6, the Register shall during Business Hours (subject to such reasonable restrictions as the Trustee-Manager may impose but so that not less than two hours in each Business Day shall be allowed for inspection) be open to the inspection of any Holder without charge PROVIDED THAT, if the Register is kept on magnetic tape or in accordance with some other mechanical or electrical system, the provisions of this Clause 3.5 may be satisfied by the production of legible evidence of the contents of the Register.

3.6 Closure of Register

Subject to the Relevant Laws, Regulations and Guidelines, the Register may be closed at such times and for such periods as the Trustee-Manager may from time to time determine PROVIDED THAT it shall not be closed for more than 30 Business Days in any one year.

3.7 Transfer of Units

3.7.1 For so long as the Trust is Listed on the SGX-ST, transfers of Units between Depositors shall be effected electronically through the Depository making an appropriate entry in the Depository Register in respect of the Units that have been transferred in accordance with the Depository Requirements and the provisions of Clauses 3.7.2 to 3.7.6 shall not apply. The Trustee-Manager shall be entitled to appoint the Depository to facilitate transactions of Units within the Depository and maintain records of Units of Holders credited into Securities Accounts and to pay out of the Trust Property all fees, costs and expenses of the Depository arising out of or in connection with such services to be provided by the Depository. Any transfer or dealing in Units on the SGX-ST between a Depositor and another person shall be transacted at a price agreed between the parties and settled in accordance with the Depository Requirements. The broker or other financial intermediary effecting any transfer or dealing in Units on the SGX-ST shall be deemed to be the agent duly authorised by any such Depositor or person on whose behalf the broker or intermediary is acting. In any case of transfer, all charges in relation to such transfer as may be imposed by the Trustee-Manager and/or the Depository shall be borne by the Holder who is the transferor. There are no restrictions as to the number of Units which may be transferred by a transferor to a transferee. For so long as the Trust is Listed on the SGX-ST, in the case of a transfer of Units from a Securities Account and credited into another Securities Account, the instrument of transfer (if applicable) shall be in such form as provided by the Depository and the transferor shall be deemed to remain the Depositor of the Units transferred until the relevant Units have been credited into the Securities Account of the transferee or transferred out of a Securities Account and registered on the Depository Register. If the Units are Listed on any other Recognised Stock Exchange, the transfer of Units shall be in accordance with the requirements of the relevant Recognised Stock Exchange. No transfer or purported transfer of a Listed Unit other than a transfer made in accordance with this Clause 3.7.1, shall entitle the transferee to be registered in respect thereof; neither shall any notice of such transfer or purported transfer (other than aforesaid) be entered upon the Depository Register.

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- 3.7.2** For so long as the Trust is Unlisted, and is not part of a Stapled Group, every Holder shall be entitled to transfer any of the Units held by him or, in the case of Joint Holders, by any one of the Joint Holders as follows:
- (i) a transfer of Units shall be effected by an instrument of transfer in writing in common form (or in such other form as the Trustee-Manager may from time to time approve);
 - (ii) every instrument of transfer referred to in Clause 3.7.2(i) relating to Units must be signed by the transferor and the transferee and, subject to the provisions of Clauses 3.7, the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof. The instrument of transfer need not be a deed;
 - (iii) all charges in relation to such transfer as may be imposed by the Trustee-Manager shall be borne by the Holder who is the transferor; and
 - (iv) there are no restrictions as to the number of Units which may be transferred.
- 3.7.3** Every instrument of transfer referred to in Clause 3.7.2(i) must be duly stamped (if required by law) and left with the Trustee-Manager for registration accompanied by any necessary declarations or other documents that may be required in consequence of any Relevant Laws, Regulations and Guidelines and by such evidence as the Trustee-Manager may require to prove the title of the transferor or his right to transfer the Units.
- 3.7.4** For so long as the Trust is Unlisted, the Trustee-Manager shall alter or cause to be altered the Register to record the date of each transfer of Units in accordance with Clause 3.7.2 and the name and address of the transferee.
- 3.7.5** For so long as the Trust is Unlisted, all instruments of transfer which are registered in respect of Units transferred in accordance with Clause 3.7.2 shall be forwarded to, and retained by the Trustee-Manager.
- 3.7.6** For so long as the Trust is Unlisted, a fee not exceeding S\$10 (or such other amount as the Trustee-Manager may from time to time agree), which excludes any stamp duty or other governmental taxes or charges payable, may be charged by the Trustee-Manager for its own account for the registration of any transfer of Units in accordance with Clause 3.7.2 by an instrument of transfer of Units. Such fee must, if required by the Trustee-Manager, be paid before the registration of any transfer.
- 3.7.7** No transfer or purported transfer of a Unit other than a transfer made in accordance with this Clause 3.7 shall entitle the transferee to be registered in respect thereof and neither shall any notice of such transfer or purported transfer (other than as aforesaid) be entered upon the Register or the Depository Register.

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- 3.7.8** So long as the Trust is not part of a Stapled Group, no transfer or purported transfer of a Unit other than a transfer made in accordance with this Clause 3.7 shall entitle the transferee to be registered in respect thereof and neither shall any notice of such transfer or purported transfer (other than as aforesaid) be entered upon the Register or the Depository Register.
- 3.7.9** The Trustee-Manager shall have the power to rectify the Register if it appears to the Trustee-Manager that any of the particulars recorded in the Register (including those particulars set out in Clause 3.1) is wrongly entered or omitted.
- 3.7.10** Subject to compliance with procedures provided in this Clause 3.7, there shall be no restriction in this Deed on the transfer of fully paid Units except where required by law or by the Relevant Laws, Regulations and Guidelines.

3.8 Death of Holders

The heirs, executors or administrators of a deceased Holder (not being a Joint Holder) shall be the only persons recognised by the Trustee-Manager as having title to the Units. In the case of the death of any one of the Joint Holders of Units and subject to any Relevant Laws, Regulations and Guidelines, the survivor(s), upon producing such evidence of death as the Trustee-Manager may require, shall be the only person or persons recognised by the Trustee-Manager as having any title to or interest in the Units PROVIDED THAT where the sole survivor is a Minor, the Trustee-Manager shall act only on the requests, applications or instructions of the surviving Minor after he attains the age of 18 years and shall not be obliged to act on the requests, applications or instructions of the heirs, executors or administrators of the deceased Joint Holder, and shall not be liable for any claims or demands whatsoever by the heirs, executors or administrators of the deceased Joint Holder, the Minor Joint Holder or the Minor Joint Holder's legal guardian in omitting to act on any request, application or instruction given by any of them (in the case of the Minor, before he attains the age of 18 years).

3.9 Body Corporate

A body corporate may be registered as a Holder or as one of the Joint Holders. The successor in title of any corporate Holder which loses its legal entity by reason of a merger or amalgamation, subject to Clause 3.13, shall be the only person recognised by the Trustee-Manager as having title to the Units of such corporate Holder. The registration of a body corporate as a Depositor or a Joint Depositor shall be in accordance with the Depository's terms and conditions for the holding and operation of Securities Accounts. The successor in title of any corporate Depositor resulting from a merger or amalgamation shall, upon producing such evidence as may be required by the Trustee-Manager of such succession, be the only person recognised by the Trustee-Manager as having title to the Units.

3.10 Minors

A Minor shall not be registered as a sole Holder but may be registered as a Joint Holder PROVIDED THAT at least one of the other Joint Holders is a person who has attained the age of 18 years. In the event that one of the Joint Holders is a Minor, the Trustee-Manager need only act on the instructions given by the other Joint Holder or Joint Holders who has or have attained the age of 18 years.

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3.11 Transmission

- 3.11.1** Any person becoming entitled to a Unit in consequence of the death or bankruptcy of any sole Holder or being the survivor of Joint Holders may (subject as hereinafter provided), upon producing such evidence as to his title as the Trustee-Manager shall think sufficient, either be registered himself as Holder of such Unit upon giving to the Trustee-Manager notice in writing of his desire to be recognised as Holder or transfer such Unit to some other person. The Trustee-Manager shall upon the receipt by it of any such notice alter or cause to be altered the Register accordingly. All the limitations, restrictions and provisions of this Deed relating to transfers shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer were a transfer executed by the Holder.
- 3.11.2** Any person becoming entitled to a Unit in consequence of death or bankruptcy as aforesaid may give a discharge for all moneys payable in respect of the Unit but he shall not be entitled in respect thereof to receive notices of or to attend or vote at any meeting of Holders until he shall have been registered as the Holder of such Unit in the Register or (as the case may be) the Depositor of such Unit in the Depository Register.
- 3.11.3** The Trustee-Manager may retain any moneys payable in respect of any Unit which any person is, under the provisions as to the transmission of Units hereinbefore contained, entitled to be registered as the Holder of or to transfer, until such person shall be registered as the Holder of such Units or shall duly transfer the same.

3.12 Payment of Fee

In respect of the registration of any probate, letters of administration, power of attorney, marriage or death certificate, stop notice, order of the court, deed poll or any other document relating to or affecting the title to any Unit, the Trustee-Manager may require from the person applying for such registration a fee of S\$10 (or such other amount as the Trustee-Manager may from time to time determine) together with a sum sufficient in the opinion of the Trustee-Manager to cover any stamp duty or other governmental taxes or charges that may be payable in connection with such registration. Such fee, if required by the Trustee-Manager, must be paid before the registration of any transfer.

3.13 Removal from Register

For so long as the Trust is Unlisted, upon the registration of a transfer in favour of the Trustee-Manager, the name of the Holder shall be removed from the Register in respect of such Units but the name of the Trustee-Manager need not be entered in the Register as the Holder of such Units. Such removal shall not be treated for any purposes of this Deed as a cancellation of the Units or as withdrawing the same from issue. For the avoidance of doubt, such transfer in favour of the Trustee-Manager shall be in its capacity as trustee-manager of the Trust.

3.14 Registrar

The Trustee-Manager may, at any time or from time to time, appoint an agent on its behalf to, *inter alia*, keep and maintain the Register. The fees and expenses of the Registrar (as may be agreed from time to time between the Trustee-Manager and the Registrar) shall be paid out of the Trust Property.

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5. Issue of Units, Preference Units and Instruments Convertible into Units

5.1 Issue of Units

- 5.1.1** Notwithstanding anything to the contrary in this Deed, no Units may be issued and no offer, agreement or option which would or might require Units to be issued may be made or granted without prior approval of the Holders in general meeting by passing an Ordinary Resolution in accordance with Section 36 of the Business Trusts Act but subject thereto and to other requirements of the Relevant Laws, Requirements and Guidelines, the Trustee-Manager may issue new Units (whether on an initial issue of Units, a Rights Issue, an issue of new Units otherwise than by way of a Rights Issue or any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of any Securities) and any Units may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Trustee-Manager may think fit.
- 5.1.2** In connection with the initial Listing of the Trust on the SGX-ST, the Trustee-Manager shall not be bound to accept an application for Units so as to give rise to a holding of fewer than 1,000 Units (or such other number of Units as may be determined by the Trustee-Manager) and for so long as the Trust is Listed, the Trustee-Manager shall comply with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange or any other Relevant Laws, Regulations and Guidelines when issuing Units. No fractions of a Unit shall be issued (whether on an initial issue of Units, a Rights Issue, an issue of new Units otherwise than by way of a Rights Issue, any issue pursuant to a reinvestment of distribution arrangement or any issue of Units pursuant to a conversion of any Securities) and in issuing such number of Units as corresponding to the relevant subscription proceeds (if any), the Trustee-Manager shall, in respect of each Holder's entitlement to Units, truncate but not round off to the nearest whole Unit and any balance arising from such truncation shall be retained as part of the Trust Property.
- 5.1.3** Issues of Units shall only be made on a Business Day unless and to the extent that the Trustee-Manager otherwise prescribes. Issues of Units for cash shall be made at a price hereinafter prescribed.
- 5.1.4** The Trustee-Manager may by deed supplemental hereto issue Classes of Units under such terms and conditions as may be contained therein.
- 5.1.5** Preference Units may be issued subject to such limitation thereof as may be prescribed by the SGX-ST or any Recognised Stock Exchange upon which Units may be listed. Preference Holders shall have the same rights as ordinary Holders as regards receiving notices, reports and balance sheets and attending meetings of Holders, and Preference Holders shall also have the right to vote at any meeting convened for the purposes of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Trust or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the distribution on the Preference Units for more than six months is in arrear.

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- 5.1.6** The Trustee-Manager has the power to issue further preference capital ranking equally with, or in priority to, Preference Units already issued.
- 5.1.7** The Trust may be Listed on the SGX-ST pursuant to Clause 8 and, if so Listed, the Units shall be traded on the SGX-ST and settled through the Depository. Units already in issue may be transferred or otherwise dealt with through Securities Accounts into which Units are credited in accordance with Clause 4.3.7.
- 5.1.8** If the Trust is Listed on the SGX-ST, or any other Recognised Stock Exchange, then the Trustee-Manager shall not thereafter issue any further Units in numbers exceeding the limit, if any, prescribed at the time in the Listing Rules or the listing rules of the relevant Recognised Stock Exchange and any Relevant Laws, Regulations and Guidelines, except where such Units are issued in such circumstances as permitted by the Listing Rules or the listing rules of the relevant Recognised Stock Exchange and any Relevant Laws, Regulations and Guidelines or otherwise as required or permitted by the SGX-ST, the relevant Recognised Stock Exchange or any relevant authorities.
- 5.1.9** Subject to Clause 5.1.11, for so long as the Trust is Listed, the Trustee-Manager may issue Units provided that the Trustee-Manager complies with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Business Trusts Act or any other Relevant Laws, Regulations and Guidelines in determining the Issue Price, including the Issue Price for a Rights Issue on a pro-rata basis to all existing Holders, the Issue Price of a Unit issued other than by way of a Rights Issue offered on a pro-rata basis to all existing Holders and the Issue Price for any reinvestment of distribution arrangement. If the Issue Price determined by the Trustee-Manager is at a discount to the Market Price, the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, the Business Trusts Act or any other Relevant Laws, Regulations and Guidelines.
- 5.1.10** Notwithstanding anything in this Clause 5.1, for so long as Units are Stapled with another Security or other Securities, Units will be issued at an Issue Price in accordance with such terms and conditions as may be prescribed in the agreement or deed entered into by the Trustee-Manager for the purpose of Stapling Units to any other Security or Securities.
- 5.1.11** Subject to any direction to the contrary that may be given by an Ordinary Resolution of a meeting of Holders or except as permitted under the Listing Rules, all new Units shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices of the meetings of Holders in proportion, as far as the circumstances admit, to the number of the existing Units to which they are entitled. The offer shall be made by notice specifying the number of Units offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Units offered, the Trustee-Manager may dispose of those Units in such manner as they think most beneficial to the Trust. The Trustee-Manager may likewise so dispose of any new Units which (by reason of the ratio which the new Units bear to Units held by persons entitled to an offer of new Units) cannot, in the opinion of the Trustee-Manager, be conveniently offered under this Clause 5.1.11.

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5.2 Issue Price of Units Prior to the Listing Date

- 5.2.1** Prior to the Listing Date, the Trustee-Manager may, subject to Clause 5.1 and any Relevant Laws, Regulations and Guidelines, issue Units at any time to any person at any issue price per Unit ("**Issue Price**") and on such terms and conditions as the Trustee-Manager may determine in its absolute discretion.
- 5.2.2** The issue of Units for the purpose of an initial public offering of Units shall be at an Issue Price to be determined by the Trustee-Manager, or within such range to be determined by the Trustee-Manager, on or before the Listing Date for such Units, PROVIDED THAT the Trustee-Manager may delegate the right to make such determination to any underwriter, issue manager or placement agent engaged in connection with the initial public offering. The actual Issue Price shall be determined by the Trustee-Manager and/or such underwriter, issue manager or placement agent following a book building process or through such other method of price determination as they may agree. The manner of and amount payable and any applicable refund on an application for Units during the initial public offering will be stated in the relevant Prospectus. Any such offer of Units for the purpose of an initial public offering may remain open for a period as may be agreed by the Trustee-Manager, subject to any Relevant Laws, Regulations and Guidelines.
- 5.2.3** The Trustee-Manager may issue Units at the Issue Price determined in accordance with Clause 5.2.2 to the vendor of any Authorised Investments to be purchased by the Trust in conjunction with an initial public offering of Units, or to any person nominated by such vendor, in full or partial satisfaction of the consideration or any deferred purchase consideration payable by the Trust for such Authorised Investments.

5.3 Issue Price of Units when the Trust is Listed

- 5.3.1** Subject to Clauses 5.3.2 and 5.3.3, Section 36 of the Business Trusts Act and any Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Trustee-Manager may issue Units on any Business Day at an Issue Price equal to the Market Price, without the prior approval of the Holders in a meeting of Holders. For this purpose "**Market Price**" shall mean:
- (i) the volume weighted average price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST, or such other Recognised Stock Exchange on which the Trust is Listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST or the relevant Recognised Stock Exchange) immediately preceding the relevant Business Day; or
 - (ii) if the Trustee-Manager believes that the calculation in Clause 5.3.1(i) does not provide a fair reflection of the market price of a Unit, an amount as determined by the Trustee-Manager (after consultation with a Stockbroker approved by the Trustee-Manager), as being the fair market price of a Unit and the basis for determining the market price will be announced on the SGXNET for so long as the Trust is Listed on the SGX-ST.

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5.3.2 Subject to Clause 5.3.3, for so long as the Trust is Listed on the SGX-ST, the Trustee-Manager may issue Units at an Issue Price other than calculated in accordance with Clause 5.3.1 without the prior approval of the Holders in a meeting of Holders provided that, in determining the Issue Price and the premium or discount, if any, to the Issue Price, including, but not limited to:

- (iii) the Issue Price for a Rights Issue on a pro-rata basis to all existing Holders;
- (iv) the Issue Price of a Unit issued other than by way of a Rights Issue offered on a pro-rata basis to all existing Holders;
- (v) the Issue Price for any reinvestment of distribution arrangement;
- (vi) the Issue Price for any Units which are issued as full or partial consideration for the acquisition of an Authorised Investment by the Trust; and
- (vii) the Issue Price for a conversion of instruments which may be convertible into Units,

the Trustee-Manager complies with the Listing Rules and any other Relevant Laws, Regulations and Guidelines in determining the Issue Price. If the Issue Price determined by the Trustee-Manager is at a discount to the Market Price, the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules and any other Relevant Laws, Regulations and Guidelines.

5.3.3 Where Units are issued as full or partial consideration for the acquisition of an Authorised Investment by the Trust in conjunction with an issue of Units to raise cash for the balance of the consideration for the said Authorised Investment (or part thereof) or to acquire other Authorised Investments in conjunction with the said Authorised Investment, the Trustee-Manager shall have the discretion to determine that the Issue Price of a Unit so issued as full or partial consideration shall be the same as the Issue Price for the Units issued in conjunction with an issue of Units to raise cash for the aforesaid purposes.

5.4 Issue Price of Units where the Trust is Delisted

Where the Trust becomes Unlisted after the Listing Date, the Trustee-Manager may issue Units at an Issue Price equal to the Current Unit Value on the date of the issue of the Unit plus, if so determined by the Trustee-Manager, an amount equal to the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the Trustee-Manager for its own benefit and the amount of the adjustment shall be retained as part of the Trust Property.

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5.5 Units Issued on Unpaid or Partly Paid Basis

- 5.5.1** No Units shall be issued on an unpaid or partly paid basis, unless such issue is approved by an Extraordinary Resolution of a meeting of Holders duly convened and held in accordance with the provisions of Schedule 1. In the event such issue is approved, capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in distributions.
- 5.5.2** In the event that the Trustee-Manager issues Units on an unpaid or partly paid basis to any person, the provisions of Clauses 5.5.3 and 5.5.4 shall apply.
- 5.5.3** Calls on Units
- (i) The Trustee-Manager may from time to time make calls upon the Holders in respect of any moneys unpaid on their Units but subject always to the terms of issue of such Units. A call may be made payable by instalments.
 - (ii) Each Holder shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Trust at the time or times and place so specified the amount called on his Units. The Joint Holders of a Unit shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Trustee-Manager may determine.
 - (iii) If a sum called in respect of a Unit is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 10.0% per annum) as the Trustee-Manager may determine but the Trustee-Manager shall be at liberty in any case or cases to waive payment of such interest wholly or in part.
 - (iv) Any sum which by the terms of issue of a Unit becomes payable upon allotment or at any fixed date shall for all the purposes of this Deed be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of this Deed as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
 - (v) The Trustee-Manager may on the issue of Units differentiate between the holders as to the amount of calls to be paid and the times of payment.
 - (vi) The Trustee-Manager may if it thinks fit receive from any Holder willing to advance the same, all or any part of the moneys uncalled and unpaid upon the Units held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the Units in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Trust may pay interest at such rate (not exceeding 8.0% per annum) as the Holder

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paying such sum and the Trustee-Manager may agree. Capital paid on Units in advance of calls shall not, while carrying interest, confer a right to participate in profits.

5.5.4 Forfeiture and Lien

- (i) If a Holder fails to pay in full any call or instalment of a call on the due date for payment thereof, the Trustee-Manager may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Trust by reason of such non-payment.
- (ii) The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the Units on which the call has been made will be liable to be forfeited.
- (iii) If the requirements of any such notice as aforesaid are not complied with, any Unit in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by the Trustee-Manager. Such forfeiture shall include all distributions declared in respect of the forfeited Unit and not actually paid before forfeiture. The Trustee-Manager may accept a surrender of any Unit liable to be forfeited hereunder.
- (iv) A Unit so forfeited shall become the property of the Trust and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Trustee-Manager shall think fit and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Trustee-Manager thinks fit. The Trustee-Manager may, if necessary, authorise some person to transfer or effect the transfer of a forfeited Unit to any such other person as aforesaid.
- (v) A Holder or Depositor whose Units have been forfeited or surrendered shall cease to be a holder in respect of the Units but shall notwithstanding the forfeiture or surrender remain liable to pay to the Trust all moneys which at the date of forfeiture or surrender were presently payable by him to the Trust in respect of the Units with interest thereon at 8.0% per annum (or such lower rate as the Trustee-Manager may determine) from the date of forfeiture or surrender until payment and the Trustee-Manager may at its absolute discretion enforce payment without any allowance for the value of the Units at that time of forfeiture or surrender or waive payment in whole or in part.
- (vi) The Trust shall have a first and paramount lien on every Unit (not being a fully paid Unit) and distributions from time to time declared in respect of such Units provided that such lien shall be restricted to unpaid calls and instalments upon the specific Units in respect of which such moneys

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are due and unpaid, and to such amounts as the Trust may be called upon by law to pay in respect of the Units of the holder or deceased holder. The Trustee-Manager may waive any lien which has arisen and may resolve that any Unit shall for some limited period be exempt wholly or partially from the provisions of this Clause.

- (vii) The Trust may sell in such manner as the Trustee-Manager thinks fit any Unit on which the Trust has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the Unit or the person entitled thereto by reason of his death or bankruptcy.
- (viii) The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities and any residue shall be paid to the person entitled to the Units at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale the Trustee-Manager may authorise some person to transfer or effect the transfer of the Units sold to the purchaser.
- (ix) A statutory declaration in writing that the declarant is a director or secretary of the Trustee-Manager and that a Unit has been duly forfeited or sold to satisfy a lien of the Trust on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Unit. Such declaration and the receipt of the Trust for the consideration (if any) given for the Unit on the sale, re-allotment or disposal thereof together (where the same be required) with the confirmation note delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the Unit and the Unit shall be registered in the name of the person to whom the Unit is sold, re-allotted or disposed of or, where such person is a Depositor, the Trustee-Manager shall procure that his name be entered in the Depository Register in respect of the Unit so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the Unit be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the Unit.

5.6 Units Issued to Persons Resident Outside Singapore

- 5.6.1 If a Unit is to be issued to a person resident outside Singapore, the Trustee-Manager shall be entitled to charge for its own account an additional amount to the Issue Price thereof which is equal to the excess of the expenses actually incurred by the Trustee-Manager over the amount of expenses which would have been incurred if such person had been resident in Singapore.

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5.6.2 In relation to any Rights Issue or (as the case may be) any preferential offering, the Trustee-Manager may in its absolute discretion elect not to extend an offer of Units under the Rights Issue or preferential offering to those Holders whose addresses are outside Singapore, after having regard to the relevant considerations including whether the Trustee-Manager considers such election to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place. In the case of a Rights Issue, the provisional allocations of Units of such Holders may be offered for sale by the Trustee-Manager as the nominee and authorised agent of each such relevant Holder in such manner and at such price as the Trustee-Manager may determine. Where necessary, the Trustee-Manager shall have the discretion to impose such other terms and conditions in connection with the sale. The proceeds of any such sale, if successful, will be paid to the relevant Holders whose rights or entitlements have been thus sold, PROVIDED THAT where the proceeds payable to any single Holder is less than S\$10, the Trustee-Manager shall be entitled to retain such proceeds as part of the Trust Property.

5.7 Non-payment of Issue Price

Subject to the Relevant Laws, Regulations and Guidelines and unless otherwise provided in the relevant agreement, application form or other document relating to the issuance of the Units, where (i) payment of the Issue Price payable in respect of any Unit agreed to be issued by the Trustee-Manager has not been received before the seventh Business Day after the date on which the Unit was agreed to be issued (or such other date as the Trustee-Manager may agree) or (ii) the Issue Price paid in respect of any Unit is returned to the Holder, (in respect of sub-paragraph (i)) the agreement to issue such Unit and (in respect of sub-paragraph (ii) such Units may, in the absolute discretion of the Trustee-Manager, at that time or any time thereafter be cancelled by the Trustee-Manager by giving notice to that effect to the applicant and such Unit shall thereupon be deemed never to have been issued or agreed to be issued (as the case may be) and the applicant therefor shall have no right or claim in respect thereof against the Trustee-Manager, PROVIDED THAT:

5.7.1 no previous valuations of the Trust shall be re-opened or invalidated as a result of the cancellation of such Units;

5.7.2 the Trustee-Manager shall be entitled to charge the applicant (and retain for its own account) a cancellation fee of such amount as it may from time to time determine to represent the administrative costs involved in processing the application for such Units from such applicant;

5.7.3 the Trustee-Manager may, but shall not be bound to, require the applicant to pay to the Trustee-Manager for the account of the Trust in respect of each Unit so cancelled the amount (if any) by which the Issue Price of each such Unit exceeds the Repurchase Price which would have applied in relation to each such Unit if the Trustee-Manager had received on such day a request from such applicant for the repurchase or redemption thereof.

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5.8 Updating of Securities Account

For so long as the Trust is Listed on the SGX-ST, the Trustee-Manager shall cause the Depository to effect the book entry of Units issued to a Depositor into such Depositor's Securities Account no later than the tenth Business Day after the date on which those Units are agreed to be issued by the Trustee-Manager.

5.9 Selling Price of Trustee-Manager's Units

For so long as the Trust is Unlisted, each Unit of which the Trustee-Manager is or is deemed to be the Holder may be sold or offered for sale by the Trustee-Manager at a price equal to the total of the Current Unit Value of that Unit on the day of the sale or offer, the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the Trustee-Manager for its own benefit and the amount of the adjustment shall be retained as part of the Trust Property.

5.10 Discounts

In the event a Preliminary Charge is imposed on the issue of Units where the Trust is Unlisted, the Trustee-Manager may on any day differentiate between applicants as to the amount of the Preliminary Charge to be imposed (within the permitted limit) on the Issue Price of Units issued to them respectively and likewise the Trustee-Manager may on any day on the issue of Units allow any person or persons applying for larger numbers of Units than others a discount or discounts on the Issue Price of their Units on such basis or on such scale as the Trustee-Manager may think fit (PROVIDED THAT no such discount shall exceed the Preliminary Charge included in the Issue Price of the Units concerned) and in any such case, the amount of such Preliminary Charge to be deducted from the proceeds of issue of such Units shall be reduced by the amount of the discount and accordingly the discount shall be borne by the Trustee-Manager. Besides the number of Units purchased, the bases on which the Trustee-Manager may differentiate between applicants as to the amount of the Preliminary Charge to be included in the Issue Price of their Units depends on several other factors, including but not limited to, the performance of and the marketing strategy adopted by the Trustee-Manager for the Trust.

5.11 Suspension of Issue

The Trustee-Manager may, subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange (while the Trust is Listed), suspend the issue of Units during any of the following events:

- 5.11.1 any period when the SGX-ST or any other relevant Recognised Stock Exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;
- 5.11.2 the existence of any state of affairs which, in the opinion of the Trustee-Manager, might seriously prejudice the interests of the Holders as a whole or of the Trust Property;
- 5.11.3 any breakdown in the means of communication normally employed in determining the price of any Trust Assets or (if relevant) the current price

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thereof on the SGX-ST or any other relevant Recognised Stock Exchange or when, for any reason, the prices of Trust Assets cannot be promptly and accurately ascertained;

- 5.11.4 any period when remittance of money which will or may be involved in the realisation of Trust Assets or in the payment for Trust Assets cannot, in the opinion of the Trustee-Manager, be carried out at normal rates of exchange;
- 5.11.5 in relation to any general meeting of the Holders, any 48 hour period before such general meeting or any adjournment thereof; or
- 5.11.6 any period where the issuance of Units is suspended pursuant to any order or direction issued by the Authority or other relevant regulatory authorities;
- 5.11.7 in relation to any general meeting of the Holders, any 48 hour period before such general meeting or any adjournment thereof;
- 5.11.8 when the business operations of the Trustee-Manager in relation to the operation of the Trust are substantially interrupted or closed as a result of, or arising from, nationalisation, expropriation, currency restrictions, pestilence, widespread communicable and infectious diseases, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes, nuclear fusion or fission or acts of God.
- 5.11.9 Such suspension shall take effect forthwith upon the declaration in writing thereof by the Trustee-Manager and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this Clause 6.11 shall exist upon the declaration in writing thereof by the Trustee-Manager. In the event of any suspension while the Trust is Listed, the Trustee-Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST or the relevant Recognised Stock Exchange.

5.12 Issue of Instruments Convertible into Units

The Trustee-Manager may issue instruments which may be convertible into Units (including but not limited to any options, Securities, warrants, debentures or other instruments that might or would require Units to be issued) for consideration or for no consideration and on such terms of offer and issue as the Trustee-Manager may determine, subject to Clause 5.1 and any Relevant Laws, Regulations and Guidelines relating to the offer or issue of instruments which may be convertible into Units.

5.13 Issue of Preference Units

- 5.13.1 Preference Units may be issued subject to Clause 5.1 and any Relevant Laws, Regulations and Guidelines, as well as any limitation as may be prescribed by the SGX-ST or any Recognised Stock Exchange upon which Units may be listed. The total number of issued Preference Units shall not exceed the total number of Units issued at any time.

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- 5.13.2** Preference Holders shall have the same rights as ordinary Holders as regards receiving of notices, reports and balance sheets and attending meetings of Holders, and Preference Holders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Trust or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the distribution on the preference Units is more than six months in arrear.
- 5.13.3** The Trustee-Manager has the power to issue further preference capital ranking equally with, or in priority to, Preference Units already issued.
- 5.13.4** The Trustee-Manager may by deed supplemental hereto issue Classes of Units under such terms and conditions as may be contained therein.

5.14 Issue of Units Stapled to Other Securities

- 5.14.1** Subject to Clause 5.1 and the Relevant Laws, Regulations and Guidelines, the Trustee-Manager may issue Units at any time to any person on the basis that such Units are to be Stapled to another Security or other Securities as Stapled Securities and on such terms and conditions as the Trustee-Manager may determine in its absolute discretion.
- 5.14.2** For the purposes of this Clause 5.14, the Trustee-Manager shall determine the proportion of the Issue Price, the Repurchase Price or buy-back price of the Stapled Security which is to represent the Issue Price, the Repurchase Price or buy-back price of the Unit comprising part of the Stapled Security pursuant to the terms and conditions of any agreement or deed entered into by the Trustee-Manager for the purpose of issuing Units Stapled with any other Security or Securities.
- 5.14.3** For so long as the Stapled Group is Unlisted, the Trustee-Manager may determine from time to time the proportion of the Current Stapled Security Value which is to represent the price of the Unit comprising part of the Stapled Security pursuant to the terms and conditions of any agreement or deed entered into by the Trustee-Manager and any other part(y/ies) for the purpose of issuing Units Stapled with any other Security or Securities.
- 5.14.4** In the event that the Stapled Group is Listed, the Trustee-Manager may determine from time to time the proportion of the Market Price of the Stapled Security which is to represent the price of the Unit comprising part of the Stapled Security pursuant to the terms and conditions of any agreement or deed entered into by the Trustee-Manager for the purpose of issuing Units Stapled with any other Security or Securities. For this purpose “Market Price” shall mean the volume weighted average price for a Stapled Security (if applicable, of the same Class) for all trades on the SGX-ST, or such other Recognised Stock Exchange on which the Stapled Securities are Listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST or relevant Recognised Stock Exchange) immediately preceding the relevant Business Day.

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6. Repurchase and Redemption of Units by the Trustee-Manager

6.1 Repurchase and Redemption Restrictions when the Trust is Unlisted

When the Trust is Unlisted, the Trustee-Manager may, but is not obliged to, repurchase or cause the redemption of Units more than once a year in accordance with the Relevant Laws, Regulations and Guidelines and a Holder has no right to request for the repurchase or redemption of Units more than once a year. Where the Trustee-Manager offers to repurchase or cause the redemption of Units issued when the Trust is Unlisted, and upon acceptance of such an offer, the Trustee-Manager shall do so at the Repurchase Price calculated in accordance with Clause 6.3.

6.2 Repurchase and Redemption Restrictions when the Trust is Listed

The Trustee-Manager is not obliged to repurchase or cause the redemption of Units so long as the Trust is Listed. Where the Trustee-Manager offers to repurchase or cause the redemption of Units issued when the Trust is Listed and, upon acceptance of such an offer, the Trustee-Manager shall do so at the Repurchase Price calculated in accordance with Clause 6.3.2. In the event the Trustee-Manager decides to repurchase or cause the redemption of Units, such repurchase or redemption must comply with the Relevant Laws, Regulations and Guidelines or any applicable laws and regulations and must have obtained the prior approval of Holders in general meeting by passing an Ordinary Resolution (the “**Unit Buy-back Mandate**”). The Trustee-Manager may, subject to the Relevant Laws, Regulations and Guidelines or any applicable laws and regulations, suspend the repurchase or redemption of Units for any period when the issue of Units is suspended pursuant to Clause 5.11.

6.3 Repurchase Price

For the purposes of Clauses 6.1 and 6.2, the Repurchase Price shall be:

6.3.1 in respect of the repurchase or redemption of Units prior to the Listing Date, an amount determined by the Trustee-Manager in its absolute discretion. Such amount may be less than, equal to or more than the Current Unit Value of the relevant Units on the day the Trustee-Manager’s offer to repurchase or cause the redemption of Units is accepted; and

6.3.2 in respect of the repurchase or redemption of Units after the Listing Date (whether or not the Trust is Listed or has been Unlisted at the time the Trustee-Manager’s offer to repurchase or redeem Units is made), unless prohibited by the Relevant Laws, Regulations and Guidelines, the Current Unit Value of the relevant Units on the day the request is accepted by the Trustee-Manager less the Repurchase Charge and less an amount to adjust the resultant total downwards to the nearest whole cent.

The Repurchase Charge shall be retained by the Trustee-Manager for its own benefit and the adjustment shall be retained as part of the Trust Property. The Trustee-Manager may on any day differentiate between Holders as to the amount of the Repurchase Charge to be included (within the permitted limit) in the Repurchase Price of Units to be repurchased by the Trustee-Manager from them respectively. The bases on which the Trustee-Manager may make any differentiation as between Holders shall include, without limitation, Holders with large holdings of Units and Holders who have opted for a distribution reinvestment arrangement. Once a request for repurchase or

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redemption is given, it cannot be revoked without the consent of the Trustee-Manager. The Trustee-Manager may, subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange, suspend the repurchase or redemption of Units during any period when the issue of Units is suspended pursuant to Clause 5.11.

6.4 Authority and Limits on the Purchase of Units

6.4.1 Maximum Limit

The total number of Units which may be purchased pursuant to any Unit Buy-back Mandate is limited to that number of Units representing not more than 10% of the total number of issued Units as at the date of the general meeting when such Unit Buy-back Mandate is approved by Holders.

6.4.2 Duration of Authority

Purchases of Units may be made during the Relevant Period. For the purpose of this Clause 6.4.2, “**Relevant Period**” is the period commencing from the date of the general meeting at which a Unit Buy-back Mandate is sought and the resolution relating to the Unit Buy-back Mandate is passed, and expiring on the earlier of:

- (i) the date on which the next annual general meeting of Holders is held;
- (ii) the date by which the next annual general meeting of Holders is required by law or the provisions of this Deed to be held; or
- (iii) the date on which the purchases of Units by the Trustee-Manager pursuant to the Unit Buy-back Mandate are carried out to the full extent mandated.

For the avoidance of doubt, the authority conferred on the Trustee-Manager by the Unit Buy-back Mandate to purchase Units may be renewed at the next annual general meeting of Holders.

6.5 Solvency Statement

The Trustee-Manager may repurchase Units out of the assets of the Trust by paying a sum sufficient to satisfy the Repurchase Price, provided that the Board makes a written statement, in accordance with a resolution of the Board and signed by not less than two directors, that the Board is satisfied on reasonable grounds that, immediately after the repurchase of Units, the Trustee-Manager will be able to fulfil from the Trust Property, the liabilities of the Trust as these liabilities fall due, in accordance with the requirements of the Relevant Laws, Regulations and Guidelines.

6.6 Repurchased Units are Cancelled

Units which are repurchased shall be cancelled and shall not thereafter be reissued or dealt with in any manner subject to the requirements of the Relevant Laws, Regulations and Guidelines. For the avoidance of doubt, this Clause 6.6 shall not limit or restrict the right of the Trustee-Manager to cause the creation and/or issue of further or other Units. On the cancellation of any Unit under this Clause 6.6, the rights and privileges attached to that Unit shall expire.

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6.7 Source of Funds

The Trustee-Manager may not repurchase Units of the Trust for a consideration other than in cash. The Trustee-Manager may utilise the Trust's internal sources of funds or external borrowings or a combination of both to finance the Trustee-Manager's repurchase of Units on behalf of the Trust pursuant to any Unit Buy-back Mandate, subject always to the requirements of the Relevant Laws, Regulations and Guidelines.

6.8 Manner of Purchase

Subject always to the requirements of the Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Trustee-Manager may:

6.8.1 purchase or acquire Units on a securities exchange ("**Market Purchase**"); or

6.8.2 make an offer to purchase Units, otherwise than on a securities exchange and by way of an "off-market" acquisition of the Units on an "equal access scheme" (as defined below) ("**Off-market Purchase**"),

and to deal with any of the Units so purchased or acquired in accordance with this Clause 6.

For the purposes of this Clause 6, an "**equal access scheme**" is a scheme which satisfies the following criteria:

- (i) the offers under the scheme are to be made to every person who holds Units to purchase or acquire the same percentage of their Units;
- (ii) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers are the same except that there shall be disregarded:
 - (a) differences in consideration attributable to the fact that the offers relate to Units with different accrued distribution entitlements;
 - (b) differences in consideration attributable to the fact that the offers relate to Units with different amounts remaining unpaid; and
 - (c) differences in the offers introduced solely to ensure that each Holder is left with a whole number of Units.

6.9 Procedure for Purchase of Units via a Market Purchase

6.9.1 For so long as the Trust is Listed, where Units are purchased via a Market Purchase, the notice of general meeting of Holders specifying the intention to propose a resolution to authorise a Market Purchase shall;

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- (i) specify the maximum number of Units or the maximum percentage of Units of the Trust authorised to be acquired or purchased;
- (ii) determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion);
- (iii) specify a date on which the authority is to expire, being a date that must not be later than the date on which the next annual general meeting is, or is required by law to be, held, whichever is earlier; and
- (iv) specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

6.9.2 The resolution authorising a Market Purchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 6.9.1(i) to 6.9.1(iii).

6.9.3 The authority for a Market Purchase may, from time to time, be varied or revoked by Holders in a general meeting. A resolution to confer or vary the authority for a Market Purchase may determine the maximum price for purchase or acquisition by:

- (i) specifying a particular sum; or
- (ii) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

6.10 Procedure for Purchase of Units via an Off-Market Purchase

6.10.1 For so long as the Trust is Listed, where Units are purchased via an Off-Market Purchase, the notice of general meeting of Holders specifying the intention to propose a resolution to authorise an Off-Market Purchase shall:

- (i) specify the maximum number of Units or the maximum percentage of Units of the Trust authorised to be acquired or purchased;
- (ii) determine the maximum price which may be paid for the Units (either by specifying a particular sum or by providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion);
- (iii) specify a date on which the authority is to expire, being a date that must not be later than the date on which the next Annual General Meeting is, or is required by law to be, held, whichever is earlier; and
- (iv) specify the sources of funds to be used for the purchase or acquisition including the amount of financing and its impact on the Trust's financial position.

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6.10.2 The resolution authorising an Off-Market Purchase may be unconditional or subject to conditions and shall state the particulars set out in Clauses 6.10.1(i) to 6.10.1(iii).

6.10.3 The authority for an Off-Market Purchase may, from time to time, be varied or revoked by Holders in a general meeting. A resolution to confer or vary the authority for an Off-Market Purchase may determine the maximum price for purchase or acquisition by:

(i) specifying a particular sum; or

(ii) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion.

6.10.4 For so long as the Trust is Listed, in the event that the Trustee-Manager decides to make any offer to purchase Units via an Off-Market Purchase, the Trustee-Manager will send an offer notice to Holders in the event of any such offer to purchase Units. Holders wishing to take up the offer will be asked to respond by sending a request in writing for the purchase of their Units together with the certificate or certificates (if any) representing such Units. At such request in writing of a Holder (or, in the case of Joint Holders, all the Joint Holders), the Trustee-Manager will purchase, in accordance with this Clause 7 and the Relevant Laws, Regulations and Guidelines, such number of Units in relation to which the Holder is registered in the Depository Register as are required by the Holder to be purchased.

6.11 Amendments to Register

Where all the Units or a specified number of Units held by a Holder have been purchased by the Trustee-Manager, the Trustee-Manager shall amend, or procure the amendment of the Register, in respect of such number of Units.

6.12 Reporting Requirements

Subject to the Relevant Laws, Regulations and Guidelines, for so long as the Trust is Listed, the Trustee-Manager shall:

6.12.1 notify the SGX-ST (in the form of an announcement on the SGXNET) of all purchases of Units in accordance with the Listing Rules and in such form and shall include such details as the SGX-ST may prescribe; and

6.12.2 make an announcement on the SGXNET at the same time it notifies the SGX-ST of any purchases of Units pursuant to any Unit Buy-back Mandate, that the directors of the Trustee-Manager are satisfied on reasonable grounds that, immediately after the purchase of Units, the Trustee-Manager will be able to fulfil, from the Trust Property, the liabilities of the Trust as these liabilities fall due, in accordance with the Relevant Laws, Regulations and Guidelines.

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(c) A-HTRUST STAPLING DEED

3. Provisions as to Stapled Securities, Holders and Statements of Holdings

3.1 Securities to be Stapled

3.1.1 On and from the Stapling Commencement Date:

- (i) each Ascendas Hospitality BT Unit and each Ascendas Hospitality REIT Unit must be Stapled to one another;
- (ii) the REIT Manager must not issue an Ascendas Hospitality REIT Unit unless an Ascendas Hospitality BT Unit is issued by the Trustee-Manager at the same time and to the same person;
- (iii) the Trustee-Manager must not issue an Ascendas Hospitality BT Unit unless an Ascendas Hospitality REIT Unit is issued by the REIT Manager at the same time and to the same person;
- (iv) the REIT Manager must not issue any right or option to acquire an Ascendas Hospitality REIT Unit unless the Trustee-Manager issues a corresponding right or option to acquire an Ascendas Hospitality BT Unit;
- (v) the Trustee-Manager must not issue any right or option to acquire an Ascendas Hospitality BT Unit unless the REIT Manager issues a corresponding right or option to acquire an Ascendas Hospitality REIT Unit;
- (vi) the REIT Manager may not without prior consent of the Trustee-Manager issue any Ascendas Hospitality REIT Unit of any class other than the Class existing at the Stapling Commencement Date or any right or option to acquire any such Ascendas Hospitality REIT Unit;
- (vii) the Trustee-Manager may not without prior consent of the REIT Manager issue any Ascendas Hospitality BT Unit of any class other than the Class existing at the Stapling Commencement Date or any right or option to acquire any such Ascendas Hospitality BT Unit; and
- (viii) (for so long as the Stapled Securities are stapled and as the REIT Manager shall not issue an Ascendas Hospitality REIT Unit unless an Ascendas Hospitality BT Unit is issued, or as the case may be, the Trustee-Manager shall not issue an Ascendas Hospitality BT Unit unless an Ascendas Hospitality REIT Unit is issued) the REIT Manager in consideration of the Trustee-Manager issuing Ascendas Hospitality BT Units to the REIT Manager as payment of the fees of the REIT Manager, shall issue Ascendas Hospitality REIT Units to the Trustee-Manager as payment of the fees of the Trustee-Manager.

Each Ascendas Hospitality BT Unit must be stapled to an Ascendas Hospitality REIT Unit immediately upon the issue of the Ascendas Hospitality BT Unit or the Ascendas Hospitality REIT Unit as the case may be.

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3.2 Dealings in Securities

3.2.1 On and from the Stapling Commencement Date, the REIT Manager and the Trustee-Manager must not:

- (i) do any act, matter or thing (including registering any issue or transfer of any Stapled Security or Unit); or
- (ii) refrain from doing any act, matter or thing,

if to do so or refrain from doing so (as the case may be) would result directly or indirectly in any Unit no longer being Stapled as a Stapled Security, other than in accordance with Clause 11.

3.2.2 On and from the Stapling Commencement Date, the REIT Manager must not:

- (i) offer any Ascendas Hospitality REIT Units for issue, subscription or sale unless an offer is made by the Trustee-Manager at the same time and to the same person for the same number of Ascendas Hospitality BT Units for issue, subscription or sale;
- (ii) offer any Ascendas Hospitality REIT Units for issue, subscription or sale unless the terms of that offer require each offeree to subscribe for or buy (as the case may be) the same number of Ascendas Hospitality BT Units;
- (iii) issue or sell any Ascendas Hospitality REIT Units to any person unless the same number of Ascendas Hospitality BT Units are also issued or sold (as the case may be) by the Trustee-Manager to the same person at the same time;
- (iv) consolidate, sub-divide, cancel, buy-back, redeem or repurchase any Ascendas Hospitality REIT Units unless at the same time there is a corresponding consolidation, sub-division, cancellation, buy-back or redemption or repurchase by the Trustee-Manager of Ascendas Hospitality BT Units;
- (v) register any transfer of Ascendas Hospitality REIT Units to any person unless the transfer of the same number of Ascendas Hospitality BT Units to the same person is also registered at the same time;
- (vi) accept an application for an Ascendas REIT Unit if the applicant does not at the same time apply for an Ascendas BT Unit or if an Ascendas BT Unit will not be issued to the applicant at the same time as the issue of the Ascendas REIT Unit to the applicant;
- (vii) permit a re-investment by a Holder in an Ascendas Hospitality REIT Unit unless at the same time the Holder acquires an Ascendas Hospitality BT Unit. The REIT Manager and the Trustee-Manager may make provisions governing the amount of the re-invested distributions to be used to subscribe for each Ascendas Hospitality REIT Unit or Ascendas Hospitality BT Unit comprising

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the Stapled Security having regard to the issue price of the Ascendas Hospitality REIT Unit or Ascendas Hospitality BT Unit; and

- (viii) perform any restructure or reorganisation of Ascendas Hospitality REIT Unit, including but not limited to the consolidation or subdivision of Ascendas Hospitality REIT Unit or other similar or analogous corporate action in respect of Ascendas Hospitality REIT or Ascendas Hospitality REIT Units unless the Trustee-Manager takes the corresponding action in relation to Ascendas Hospitality BT or Ascendas Hospitality BT Units at the same time.

3.2.3 On and from the Stapling Commencement Date, the Trustee-Manager must not:

- (i) offer any Ascendas Hospitality BT Units for issue, subscription or sale unless an offer is made by the REIT Manager at the same time and to the same person for the same number of Ascendas Hospitality REIT Units for issue, subscription or sale;
- (ii) offer any Ascendas Hospitality BT Units for issue, subscription or sale unless the terms of that offer require each offeree to subscribe for or buy (as the case may be) the same number of Ascendas Hospitality REIT Units;
- (iii) issue or sell any Ascendas Hospitality BT Units to any person unless the same number of Ascendas Hospitality REIT Units are also issued or sold (as the case may be) by the REIT Manager to the same person at the same time;
- (iv) consolidate, sub-divide, cancel, buy-back, redeem or repurchase any Ascendas Hospitality BT Units unless at the same time there is a corresponding consolidation, sub-division, cancellation, buy-back or redemption or repurchase by the REIT Manager of Ascendas Hospitality REIT Units;
- (v) register any transfer of Ascendas Hospitality BT Units to any person unless the transfer of the same number of Ascendas Hospitality REIT Units to the same person is also registered at the same time;
- (vi) accept an application for an Ascendas BT Unit if the applicant does not at the same time apply for an Ascendas REIT Unit or if an Ascendas REIT Unit will not be issued to the applicant at the same time as the issue of the Ascendas BT Unit to the applicant;
- (vii) permit a re-investment by a Holder in a Ascendas Hospitality BT Unit unless at the same time the Holder acquires a Ascendas Hospitality REIT Unit. The REIT Manager and the Trustee-Manager may make provisions governing the amount of the re-invested distributions to be used to subscribe for each Ascendas Hospitality REIT Unit or Ascendas Hospitality BT Unit comprising the Stapled

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Security having regard to the issue price of the Ascendas Hospitality REIT Unit or Ascendas Hospitality BT Unit; and

- (viii) perform any restructure or reorganisation of Ascendas Hospitality BT Unit, including but not limited to the consolidation or subdivision of Ascendas Hospitality BT Unit or other similar or analogous corporate action in respect of Ascendas Hospitality BT or Ascendas Hospitality BT Units unless the REIT Manager takes the corresponding action in relation to Ascendas Hospitality REIT or Ascendas Hospitality REIT Units at the same time.

3.2.4 The REIT Trustee, the REIT Manager and the Trustee-Manager are not obliged to effect a consolidation, sub-division, buy-back, cancellation, redemption, transfer or issue or other corporate action in a manner inconsistent with any constitutional, contractual or fiduciary obligation or law by which they are bound, or if they do not have any necessary consent or approval.

3.2.5 If a Unit is to be sold pursuant to forfeiture as a consequence of non-payment of a call, the party which issued the Unit will, to the maximum extent permitted by the Relevant Laws, Regulations and Guidelines and the Listing Rules, ensure that the other Unit to which it is Staped is also sold so that the Unit is sold as part of a Staped Security.

3.3 Quotation as Staped Securities

Unless and until the Staped Securities are Unstaped in accordance with this Deed, the REIT Manager and the Trustee-Manager must both use reasonable endeavours to ensure that each Staped Security listed for quotation on SGX-ST continues to be so listed for quotation and quoted as a Staped Security.

3.4 No Certificates

3.4.1 No certificate shall be issued to Holders by the REIT Manager, the REIT Trustee or the Trustee-Manager in respect of any Unit or Staped Security (whether Listed or Unlisted) issued to Holders. For so long as Ascendas Hospitality Trust is Listed on the SGX-ST, the REIT Manager, the REIT Trustee and the Trustee-Manager shall, pursuant to the Depository Services Terms and Conditions, appoint the Depository as the depository for the Staped Securities, and all Staped Securities issued will be deposited with the Depository and represented by entries in the Register in the name of the Depository as the registered Holder thereof.

3.4.2 For so long as Ascendas Hospitality Trust is Listed on the SGX-ST, the REIT Manager and the Trustee-Manager, or the agent appointed by them, shall issue to the Depository not more than 10 Business Days after the issue of Staped Securities a confirmation note confirming the date of issue and the number of Staped Securities so issued and, if applicable, also stating that the Staped Securities are issued under a moratorium and the expiry date of such moratorium. For the purposes of this Deed, such a confirmation note shall be deemed to be a certificate evidencing title to the Staped Securities issued.

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3.5 Form of Statements of Holdings

3.5.1 In the event Ascendas Hospitality Trust is or becomes Unlisted, the REIT Manager and the Trustee-Manager or their appointed agents shall issue to each Holder not more than one month after the allotment of Stapled Securities to such Holder a confirmation note confirming such allotment. The REIT Manager and the Trustee-Manager or their appointed agents shall, for so long as Ascendas Hospitality Trust is Unlisted, jointly issue to each Holder on a calendar quarterly basis (or such other period as may be agreed between the REIT Manager, the REIT Trustee and the Trustee-Manager) a statement of holdings (the “**Statement of Holdings**”). A Statement of Holdings shall be dated and shall specify the number of Stapled Securities held by each Holder in respect of the preceding quarter (or such other relevant period) and the transactions in respect of such Stapled Securities and shall be in such form as may from time to time be agreed between the REIT Manager, the REIT Trustee and the Trustee-Manager.

3.5.2 For so long as Ascendas Hospitality Trust is Listed on the SGX-ST and the Stapled Securities are registered in the name of the Depository, the REIT Manager and the Trustee-Manager shall reasonably procure that the Depository shall, at such intervals, and as may be provided for in the Depository’s terms and conditions for operation of Securities Accounts, issue to each Depositor such contract statements, confirmation notes, statements of accounts balances, and at such intervals, as may be provided for in the Depository’s terms and conditions for operation of Securities Accounts.

3.6 Sub-division and Consolidation of Stapled Securities

3.6.1 The REIT Manager (with the approval of the REIT Trustee) and the Trustee-Manager may, at any time and on giving prior written notice (such notice period to be determined by the REIT Manager and the Trustee-Manager in their absolute discretion) to each Holder or (as the case may be) to each Depositor by the REIT Manager or the REIT Trustee and/or Trustee-Manager delivering such notice in writing to such Holder or the Depository for onward delivery to the Depositors, determine that each Stapled Security shall be sub-divided into Stapled Securities or consolidated with other Stapled Securities and the Holders shall be bound accordingly.

3.6.2 The Register shall be altered accordingly to reflect the new number of Stapled Securities held by each Holder as a result of such sub-division or consolidation and where applicable, the REIT Trustee and/or the Trustee-Manager shall cause the Depository to alter the Depository Register accordingly in respect of each relevant Depositor’s Securities Account to reflect the new number of Stapled Securities held by such Depositor as a result of such sub-division or consolidation.

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3.7 Terms and Conditions of This Deed and Supplemental Deeds to Bind Holders

The terms and conditions of this Deed and of any supplemental deed (including any amending and restating deed) shall be binding on each Holder or (as the case may be) each Depositor and all persons claiming through him as if he had been party thereto and as if this Deed and any supplemental deed (including any amending and restating deed) contained covenants on the part of each Holder or (as the case may be) each Depositor to observe and be bound by all the provisions hereof and an authorisation of the REIT Trustee, the REIT Manager and the Trustee-Manager by each Holder or (as the case may be) each Depositor to do all such acts and things as this Deed and any supplemental deed (including any amending and restating deed) may require the REIT Trustee, the REIT Manager or (as the case may be) the Trustee-Manager to do.

3.8 Availability of This Deed

A copy of this Deed and of any supplemental deed (including any amending and restating deed) for the time being in force shall be made available for inspection at the registered offices of the REIT Manager and the Trustee-Manager at all times during usual Business Hours and shall be supplied by the REIT Manager or (as the case may be) the Trustee-Manager to any person in accordance with any Relevant Laws, Regulations and Guidelines on application at a charge not exceeding S\$10 per copy document.

3.9 Stapled Securities to be Held Free from Equities

A Holder entered in the Register as the registered holder of Stapled Securities or (as the case may be) a Depositor whose name is entered in the Depository Register in respect of Stapled Securities registered to him, shall be the only person recognised by the REIT Trustee, the REIT Manager and/or the Trustee-Manager as having any right, title or interest in or to the Stapled Securities registered in his name and the REIT Trustee, the REIT Manager and/or the Trustee-Manager may recognise such Holder or (as the case may be) such Depositor as the absolute owner thereof and shall not be bound by any notice to the contrary and shall also not be bound to take notice of or to see to the execution of any trust, express, implied or constructive, save as herein expressly provided or save as required by any court of competent jurisdiction to recognise any trust or equity or other interest affecting the title to any Stapled Security. Save as provided in this Deed, no notice of any trust, express, implied or constructive, shall be entered on the Register or the Depository Register.

3.10 Restrictions on Directions

The Holders shall not give any directions to the REIT Trustee, the REIT Manager or the Trustee-Manager (whether at a meeting of Ascendas Hospitality REIT Unitholders or Ascendas Hospitality BT Unitholders duly convened or otherwise) if it would require the REIT Trustee, the REIT Manager or the Trustee-Manager to do or omit from doing anything which may result in:

- 3.10.1** Ascendas Hospitality REIT, Ascendas Hospitality BT or Ascendas Hospitality Trust ceasing to comply with the Relevant Laws, Regulations and Guidelines or any other applicable laws and regulations; or

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3.10.2 the exercise of any discretion expressly conferred on the REIT Trustee, the REIT Manager and/or the Trustee-Manager by this Deed or the determination of any matter which under this Deed requires the agreement of REIT Trustee, the REIT Manager and/or the Trustee-Manager; PROVIDED THAT nothing in this Clause 3.10.2 shall limit the right of a Holder or (as the case may be) a Depositor to require the due administration of Ascendas Hospitality REIT, Ascendas Hospitality BT or Ascendas Hospitality Trust in accordance with this Deed.

4. Issue of Stapled Securities

4.1 General

4.1.1 Subject to the provisions of this Deed and any Relevant Laws, Regulations and Guidelines, the REIT Manager and the Trustee-Manager shall have the joint exclusive right to issue Stapled Securities (whether on an initial issue of Stapled Securities, a rights issue, an issue of new Stapled Securities otherwise than by way of a rights issue or any issue pursuant to a reinvestment of distribution arrangement or any issue of Stapled Securities pursuant to a conversion of any Securities) and any Stapled Securities may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the REIT Manager and the Trustee-Manager may think fit.

4.1.2 The REIT Manager and the Trustee-Manager shall not be bound to accept an application for Stapled Securities so as to give rise to a holding of fewer than 1,000 Stapled Securities (or such other number of Stapled Securities as may be determined by the REIT Manager and the Trustee-Manager) and for so long as Ascendas Hospitality Trust is Listed, the REIT Manager and the Trustee-Manager shall comply with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange or any other Relevant Laws, Regulations and Guidelines when issuing Units. No fractions of a Stapled Security shall be issued (whether on an initial issue of Stapled Securities, a rights issue, an issue of new Stapled Securities otherwise than by way of a rights issue or any issue pursuant to a reinvestment of distribution arrangement or any issue of Stapled Securities pursuant to a conversion of any Securities) and if any fractions of a Stapled Security arise, the REIT Manager and the Trustee-Manager shall, in respect of each Holder's entitlement to Stapled Securities, truncate but not round off to the nearest whole Stapled Security and any balance arising from such truncation shall be retained as part of the Deposited Property and/or Trust Property of Ascendas Hospitality REIT and/or Ascendas Hospitality BT.

4.1.3 Issues of Stapled Securities shall only be made on a Business Day unless and to the extent that the REIT Manager (with the prior consent of the REIT Trustee) and the Trustee-Manager otherwise prescribe. Issues of Stapled Securities for cash shall be made at a price hereinafter prescribed.

4.1.4 The REIT Manager and the Trustee-Manager may by deed supplemental hereto entered into with the REIT Trustee issue Classes of Stapled Securities under such terms and conditions as may be contained therein.

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- 4.1.5** The Stapled Securities may be Listed on the SGX-ST pursuant to Clause 10 and, if so Listed, the Stapled Securities shall be traded on the SGX-ST and settled through the Depository. Stapled Securities already in issue may be transferred or otherwise dealt with through Securities Accounts into which Stapled Securities are credited in accordance with Clause 9.7.
- 4.1.6** For so long as Ascendas Hospitality Trust is Listed, the REIT Manager and the Trustee-Manager may issue Stapled Securities provided that the REIT Manager and the Trustee-Manager complies with the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, or any other Relevant Laws, Regulations and Guidelines in, among others, determining the Issue Price, including the Issue Price for a rights issue on a pro-rata basis to all existing Holders, the Issue Price of a Stapled Security issued other than by way of a rights issue offered on a pro-rata basis to all existing Holders and the Issue Price for any reinvestment of distribution arrangement. If the Issue Price determined by the REIT Manager and the Trustee-Manager is at a discount to the Market Price (as defined under Clause 4.3.1), the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange, or any other Relevant Laws, Regulations and Guidelines.
- 4.1.7** If the Stapled Securities are Listed on the SGX-ST or any other Recognised Stock Exchange, then the REIT Manager and the Trustee-Manager shall not thereafter issue any further Stapled Securities in numbers exceeding the limit, if any, prescribed at the time in the Listing Rules or the listing rules of the relevant Recognised Stock Exchange, except where such Stapled Securities are issued in such circumstances as permitted by the Listing Rules or the listing rules of the relevant Recognised Stock Exchange or otherwise as required or permitted by the SGX-ST or the relevant Recognised Stock Exchange.

4.2 Issue Price of Stapled Securities Prior to the Listing Date and the Initial Offering Price

- 4.2.1** Prior to the Listing Date, the REIT Manager and the Trustee-Manager may, subject to Clause 4.1 and any Relevant Laws, Regulations and Guidelines, issue Stapled Securities at any time to any person at any issue price per Stapled Security ("**Issue Price**") and on such terms and conditions as the REIT Manager and the Trustee-Manager may determine in their absolute discretion.
- 4.2.2** The issue of Stapled Securities for the purpose of an initial public offering of Stapled Securities shall be at an Issue Price to be determined by the REIT Manager and the Trustee-Manager, or within such range to be determined by the REIT Manager and the Trustee-Manager, on or before the Listing Date for such Stapled Securities, PROVIDED THAT the REIT Manager and the Trustee-Manager may delegate the right to make such determination to any underwriter, issue manager or placement agent engaged in connection with the initial public offering. The actual Issue Price shall be determined by the REIT Manager and the Trustee-Manager and/or such underwriter, issue manager or placement agent following a book building process or through

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such other method of price determination as they may agree. The manner of and amount payable and any applicable refund on an application for Stapled Securities during the initial public offering will be stated in the relevant Prospectus. Any such offer of Stapled Securities for the purpose of an initial public offering may remain open for a period as may be agreed between the REIT Manager, the REIT Trustee and the Trustee-Manager, subject to any Relevant Laws, Rules and Regulations.

4.2.3 Subject to Clause 4.2.2, the REIT Manager and the Trustee-Manager may extend a discount to the Issue Price per Stapled Security under an initial public offering of Stapled Securities, to any applicant who successfully applies to purchase more than such number of Stapled Securities (as determined by the REIT Manager and the Trustee-Manager in their absolute discretion) in a single application, subject to compliance with any applicable law or regulation and the Listing Rules.

4.2.4 The REIT Manager and the Trustee-Manager may issue Stapled Securities at the Issue Price determined in accordance with Clause 4.2.2 to the vendor of any Authorised Investments to be purchased by Ascendas Hospitality Trust in conjunction with an initial public offering of Stapled Securities, or to any person nominated by such vendor, in full or partial satisfaction of the consideration or any deferred purchase consideration payable by Ascendas Hospitality Trust for such Authorised Investments.

4.3 Issue Price of Stapled Securities when Ascendas Hospitality Trust is Listed

4.3.1 Subject to Clauses 4.3.2 and 4.3.3 and any Relevant Laws, Regulations and Guidelines, for so long as Ascendas Hospitality Trust is Listed, the REIT Manager and the Trustee-Manager may issue Stapled Securities on any Business Day at an Issue Price equal to the Market Price, without the prior approval of the Ascendas Hospitality REIT Unitholders and the Ascendas Hospitality BT Unitholders. For this purpose “**Market Price**” shall mean:

- (i) the volume weighted average price for a Stapled Security (if applicable, of the same Class) for all trades on the SGX-ST, or such other Recognised Stock Exchange on which Ascendas Hospitality Trust is Listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other Recognised Stock Exchange, for the period of 10 Business Days (or such other period as may be prescribed by the SGX-ST or relevant Recognised Stock Exchange) immediately preceding the relevant Business Day; or
- (ii) if the REIT Manager and the Trustee-Manager believe that the calculation in Clause 4.3.1(i) does not provide a fair reflection of the market price of a Stapled Security, an amount as determined between the REIT Manager, the Trustee-Manager and the REIT Trustee (after consultation with a Stockbroker approved by the REIT Trustee), as being the fair market price of a Stapled Security.

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4.3.2 Subject to Clause 4.3.3 and any Relevant Laws, Regulations and Guidelines, for so long as Ascendas Hospitality Trust is Listed, the REIT Manager and the Trustee-Manager may issue Stapled Securities at an Issue Price other than calculated in accordance with Clause 4.3.1 without the prior approval of the Holders in a meeting of Holders in the following circumstances:

- (i) the Issue Price for a rights issue on a pro-rata basis to all existing Holders or (as the case may be) Depositors;
- (ii) the Issue Price of a Stapled Security issued other than by way of a rights issue offered on a pro-rata basis to all existing Holders or (as the case may be) Depositors;
- (iii) the Issue Price for any reinvestment of distribution arrangement;
- (iv) the Issue Price for any Stapled Securities which are issued as full or partial consideration for the acquisition of an Authorised Investment by Ascendas Hospitality REIT or Ascendas Hospitality BT;
- (v) the Issue Price for a conversion of instruments which may be convertible into Stapled Securities.

If the Issue Price determined by the REIT Manager and the Trustee-Manager is at a discount to the Market Price, the discount shall not exceed such percentage as may, from time to time, be permitted under the Listing Rules or, if applicable, the listing rules of the relevant Recognised Stock Exchange or the Relevant Laws, Regulations and Guidelines.

4.3.3 Where Stapled Securities are issued as full or partial consideration for the acquisition of an Authorised Investment by Ascendas Hospitality REIT or Ascendas Hospitality BT in conjunction with an issue of Stapled Securities to raise cash for the balance of the consideration for the said Authorised Investment (or part thereof) or to acquire other authorised investments in conjunction with the said Authorised Investment, the REIT Manager and the Trustee-Manager shall have the discretion to determine that the Issue Price of a Stapled Security so issued as full or partial consideration shall be the same as the Issue Price for the Stapled Securities issued in conjunction to raise cash for the aforesaid purposes.

4.4 Issue Price of Stapled Securities where Ascendas Hospitality Trust is Delisted

Where Ascendas Hospitality Trust becomes Unlisted after the Listing Date, the REIT Manager and Trustee-Manager may issue Stapled Securities at an Issue Price equal to the Current Stapled Security Value on the date of the issue of the Stapled Securities plus, if so determined by the REIT Manager and Trustee-Manager, an amount equal to the Preliminary Charge and an amount to adjust the resultant total upwards to the nearest whole cent. The Preliminary Charge shall be retained by the REIT Manager and Trustee-Manager for their own benefit and the amount of the adjustment shall be retained as part of the Deposited Property of Ascendas Hospitality REIT and/or Ascendas Hospitality BT as agreed between the REIT Manager and Trustee-Manager.

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4.5 Stapled Securities Issued to Persons Resident Outside Singapore

- 4.5.1** If a Stapled Security is to be issued to a person resident outside Singapore, the REIT Manager and the Trustee-Manager shall be entitled to charge for their own accounts an additional amount to the Issue Price thereof which is equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if such person had been resident in Singapore.
- 4.5.2** In relation to any rights issue or (as the case may be) any preferential offering, the REIT Manager and the Trustee-Manager may in their absolute discretion elect not to extend an offer of Stapled Securities under the rights issue or preferential offering to those Holders or (as the case may be) those Depositors, whose addresses are outside Singapore. In the case of a rights issue, the provisional allocations of Stapled Securities of such Holders or Depositors may be offered for sale by the REIT Manager and the Trustee-Manager (as the nominee and authorised agent of each such relevant Holder or Depositor) in such manner and at such price as the REIT Manager and the Trustee-Manager may determine. Where necessary, the REIT Trustee and the Trustee-Manager shall have the discretion to impose such other terms and conditions in connection with the sale. The proceeds of any such sale if successful will be paid to the relevant Holders or Depositors PROVIDED THAT, where the proceeds payable to any single Holder or Depositor is less than S\$10, the REIT Manager and the Trustee-Manager shall be entitled to retain such proceeds as part of the Deposited Property and/or Trust Property of Ascendas Hospitality REIT and/or Ascendas Hospitality BT.

4.6 Non-payment of Issue Price

Where payment of the Issue Price payable in respect of any Stapled Security agreed to be issued by the REIT Manager and the Trustee-Manager has not been received before the seventh Business Day after the date on which the Stapled Security was agreed to be issued (or such other date as the REIT Manager and the Trustee-Manager may agree) the agreement to issue such Stapled Security may, in the absolute discretion of the REIT Manager and the Trustee-Manager, at that time or any time thereafter be cancelled by the REIT Manager and the Trustee-Manager by giving notice to that effect and such Stapled Security shall thereupon be deemed never to have been issued or agreed to be issued and the applicant therefor shall have no right or claim in respect thereof against the REIT Manager and the Trustee-Manager or the REIT Trustee, PROVIDED THAT:

- (i) no previous valuations of Ascendas Hospitality Trust, Ascendas Hospitality REIT or Ascendas Hospitality BT shall be re-opened or invalidated as a result of the cancellation of such Stapled Securities;
- (ii) the REIT Manager and the Trustee-Manager shall be entitled to charge the applicant (and retain for their own accounts) a cancellation fee of such amount as they may from time to time determine to represent the administrative costs involved in processing the application for such Stapled Securities from such applicant; and

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- (iii) the REIT Manager and the Trustee-Manager may, but shall not be bound to, require the applicant to pay to the REIT Manager and the Trustee-Manager for the account of Ascendas Hospitality Trust in respect of each Stapled Security so cancelled the amount (if any) by which the Issue Price of each such Stapled Security exceeds the Repurchase Price which would have applied in relation to each such Stapled Security if the REIT Manager and the Trustee-Manager had received on such day a request from such applicant for the repurchase or redemption thereof.

4.7 Updating of Securities Account

For so long as Ascendas Hospitality Trust is Listed on the SGX-ST, the REIT Manager and the Trustee-Manager shall cause the Depository to effect the book entry of Stapled Securities issued to a Depositor into such Depositor's Securities Account no later than the tenth Business Day after the date on which those Stapled Securities are agreed to be issued by the REIT Manager and the Trustee-Manager.

4.8 Suspension of Issue

The REIT Manager, the REIT Trustee or the Trustee-Manager may, with the prior written approval of the other parties and subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange (while Ascendas Hospitality Trust is Listed), suspend the issue of Stapled Securities during any of the following events:

- 4.8.1 any period when the SGX-ST or any other relevant Recognised Stock Exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;
- 4.8.2 the existence of any state of affairs which, in the opinion of the REIT Manager, the Trustee-Manager or (as the case may be) the REIT Trustee, might seriously prejudice the interests of the Holders as a whole or of the Deposited Property of Ascendas Hospitality REIT and/or Ascendas Hospitality BT;
- 4.8.3 any breakdown in the means of communication normally employed in determining the price of any Investments or (if relevant) the current price thereof on the SGX-ST or any other relevant Recognised Stock Exchange or when for any reason the prices of any Investments cannot be promptly and accurately ascertained;
- 4.8.4 any period when remittance of money which will or may be involved in the realisation of any Investments or in the payment for any Investments cannot, in the opinion of the REIT Manager, the Trustee-Manager or (as the case may be) the REIT Trustee, be carried out at normal rates of exchange;
- 4.8.5 any period where the issuance of Stapled Securities is suspended pursuant to any order or direction issued by the Authority or other relevant regulatory authorities;
- 4.8.6 in relation to any general meeting of the Ascendas Hospitality REIT Unitholders or the Ascendas Hospitality BT Unitholders, any 48 hour period before such general meeting or any adjournment thereof; or

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- 4.8.7** when the business operations of the REIT Manager, the Trustee-Manager or the REIT Trustee in relation to the operation of Ascendas Hospitality REIT or (as the case may be) Ascendas Hospitality BT are substantially interrupted or closed as a result of, or arising from, nationalisation, expropriation, currency restrictions, pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes, nuclear fusion or fission or acts of God.

Such suspension shall take effect forthwith upon the declaration in writing thereof by the REIT Manager, the Trustee-Manager or (as the case may be) the REIT Trustee and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this Clause 4.8 shall exist upon the declaration in writing thereof by the REIT Manager, the Trustee-Manager or (as the case may be) the REIT Trustee. In the event of any suspension while Ascendas Hospitality Trust is Listed, the REIT Manager and the Trustee-Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST or the relevant Recognised Stock Exchange.

7. Allocation of Issue Price

7.1 Parties to Agree Price

- 7.1.1** The REIT Manager and the Trustee-Manager must agree from time to time the proportion of the Issue Price, the Repurchase Price or buy-back price of a Stapled Security which is to represent the Issue Price, the Repurchase Price or buy-back price of each Unit comprising the Stapled Security.

The allocation of this amount is to be determined by agreement between the REIT Manager and the Trustee-Manager before the issue, redemption or buy-back of the Stapled Security.

- 7.1.2** Where a right or option to acquire any Stapled Security is issued after the Stapling Commencement Date, the allocation of the issue price of the Stapled Security is to be determined by agreement between the REIT Manager and the Trustee-Manager prior to the issue of the right or option, at the absolute discretion of the REIT Manager and the Trustee-Manager and no Ascendas Hospitality REIT Unitholder or Ascendas Hospitality BT Unitholder shall have any right of action against either the REIT Manager or the Trustee-Manager in relation to such allocation.

- 7.1.3** The proportion determined under Clauses 7.1.1 and 7.1.2 must be consistent for each Stapled Security issued, redeemed or bought-back to or from each Holder at the same time.

7.2 Accountant to Resolve Dispute

- 7.2.1** If the REIT Manager and the Trustee-Manager are unable to reach agreement under Clause 7.1 within four Business Days after either party notifies the other that an agreement must be reached, either party may serve notice on the other ("**Referral Notice**") that it wishes to refer the matter to a suitably experienced independent accountant for determination.

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- 7.2.2** The parties shall agree on the identity of the accountant to determine the matter. In the absence of such agreement within four Business Days of the Referral Notice, the matter shall be referred to an accountant appointed by the President of the Institute of Certified Public Accountants of Singapore.
- 7.2.3** The parties shall exchange written statements and supporting documentation four Business Days after the appointment of the accountant, and each side shall simultaneously send a copy of its written statement and supporting documentation to the accountant.
- 7.2.4** The accountant shall make his decision on the matter on the basis of the parties' written statements and supporting documentation only and there shall be no oral hearing. The accountant shall issue his decision in writing within four Business Days of receiving the parties' written statements and supporting documentation.
- 7.2.5** The accountant shall act as an expert and not as an arbitrator.
- 7.2.6** The accountant's decision is, in the absence of manifest error, final and binding on the parties.
- 7.2.7** The accountant's charges shall be borne equally by the parties.

8. Repurchase and Redemption of Stapled Securities

8.1 Repurchase and Redemption Restrictions when Ascendas Hospitality Trust is Unlisted

When Ascendas Hospitality Trust is Unlisted, the REIT Manager and the Trustee-Manager may, but are not obliged to, repurchase or cause the redemption of Stapled Securities more than once a year in accordance with the Relevant Laws, Regulations and Guidelines and a Holder has no right to request for the repurchase or redemption of Stapled Securities more than once a year. Where the REIT Manager and the Trustee-Manager offer to repurchase or cause the redemption of Units issued when Ascendas Hospitality Trust is Unlisted and, upon acceptance of such an offer, the REIT Manager and the Trustee-Manager shall do so at the Repurchase Price calculated in accordance with Clause 8.3.1.

8.2 Repurchase and Redemption Restrictions when Ascendas Hospitality Trust is Listed

The REIT Manager and the Trustee-Manager are not obliged to repurchase or cause the redemption of Stapled Securities so long as Ascendas Hospitality Trust is Listed. Where the REIT Manager and the Trustee-Manager offer to repurchase or cause the redemption of Stapled Securities issued when Ascendas Hospitality Trust is Listed and, upon acceptance of such an offer, the REIT Manager and the Trustee-Manager shall do so at the Repurchase Price calculated in accordance with Clause 8.3.2. In the event the REIT Manager and the Trustee-Manager decide to repurchase or cause the redemption of Stapled Securities, such repurchase or redemption must comply with the Listing Rules and/or the listing rules of any other relevant Recognised Stock Exchange and the Relevant Laws, Regulations and Guidelines. The REIT Manager and the Trustee-Manager may, subject to the Listing Rules and/or the listing rules of any other relevant Recognised Stock Exchange and the Relevant Laws, Regulations and Guidelines, suspend the repurchase or redemption of Stapled Securities for any period when the issue of Stapled Securities is suspended pursuant to Clause 4.8.

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8.3 Repurchase Price

For the purposes of Clauses 8.1 and 8.2, the Repurchase Price shall be:

- 8.3.1** in respect of the repurchase or redemption of Stapled Securities prior to the Listing Date, an amount determined by the REIT Manager and the Trustee-Manager in their absolute discretion. Such amount may be less than, equal to or more than the Current Stapled Security Value of the relevant Stapled Securities on the day the REIT Manager's and the Trustee-Manager's offer to repurchase or cause the redemption of Stapled Securities is accepted; and
- 8.3.2** in respect of the repurchase or redemption of Stapled Securities after the Listing Date (whether or not Ascendas Hospitality Trust is Listed or has been Unlisted at the time the Manager's offer to repurchase or redeem Units is made), the Current Stapled Security Value of the relevant Stapled Securities on the day the request is accepted by the REIT Manager and the Trustee-Manager less the Repurchase Charge and less an amount to adjust the resultant total downwards to the nearest whole cent.

The Repurchase Charge shall be retained by the REIT Manager and the Trustee-Manager for their own benefit and the adjustment shall be retained as part of the Deposited Property and/or Trust Property of Ascendas Hospitality REIT and/or Ascendas Hospitality BT. The REIT Manager and the Trustee-Manager may on any day differentiate between Holders as to the amount of the Repurchase Charge to be included (within the permitted limit) in the Repurchase Price of Stapled Securities to be repurchased by the REIT Manager and the Trustee-Manager from them respectively. The bases on which the REIT Manager and the Trustee-Manager may make any differentiation as between Holders shall include, without limitation, Holders with large holdings of Stapled Securities and Holders who have opted for a distribution reinvestment arrangement. Once a request for repurchase or redemption is given, it cannot be revoked without the consent of the REIT Manager and the Trustee-Manager. The REIT Manager and the Trustee-Manager may, subject to the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange, suspend the repurchase or redemption of Stapled Securities during any period when the issue of Stapled Securities is suspended pursuant to Clause 4.8.

9. Registration of Holders

9.1 Register of Holders

An up-to-date Register shall be kept in Singapore by the REIT Trustee and the Trustee-Manager or their agents in such manner as may be required by any Relevant Laws, Regulations and Guidelines. The Register shall be maintained at all times whether Ascendas Hospitality Trust is Listed or Unlisted. For so long as Ascendas Hospitality Trust is Listed on the SGX-ST, the REIT Trustee and the Trustee-Manager shall record the Depository as the registered holder of all Stapled Securities in issue in the Register. In the event that Ascendas Hospitality Trust is Unlisted, the REIT Trustee and the Trustee-Manager shall record each Holder as the registered holder of Stapled Securities held by such Holder. There shall be entered in the Register, in respect of each Holder or person who has ceased to be a Holder, the following information as soon as practicable after the REIT Trustee and the Trustee-Manager or

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the persons appointed pursuant to Clause 9.15 as their agents to keep and maintain the Register receives the following relevant information:

- 9.1.1 the names and addresses of the Holders (and in the case where the registered Holder is the Depository, the name and address of the Depository);
- 9.1.2 the Class of Stapled Securities held by each Holder;
- 9.1.3 the number of Stapled Securities held by each Holder;
- 9.1.4 the date on which every such person entered in respect of the Stapled Securities standing in his name became a Holder and where he became a Holder by virtue of an instrument of transfer a sufficient reference to enable the name and address of the transferor to be identified;
- 9.1.5 the date on which any transfer is registered and the name and address of the transferee; and
- 9.1.6 where applicable, the date on which a Holder ceased to be a Holder of Stapled Securities.

Stapled Securities may be issued to Joint Holders with no limit as to the number of persons who may be registered as Joint Holders.

The REIT Trustee and/or the Trustee-Manager shall have the power to rectify the Register if it appears to the REIT Trustee and/or the Trustee-Manager that any of the particulars recorded in the Register (including those particulars set out in this Clause 9.1) is wrongly entered or omitted.

9.2 Unlisted Stapled Securities

For so long as Ascendas Hospitality Trust is Unlisted, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Stapled Securities held by each Holder and, in the event of any discrepancy between the entries in the Register and the details appearing on any Statement of Holdings, the entries in the Register shall prevail unless the Holder proves, to the satisfaction of the REIT Trustee, the REIT Manager and the Trustee-Manager, that the Register is incorrect.

9.3 Listed Stapled Securities

- 9.3.1 For so long as Ascendas Hospitality Trust is Listed, the entries in the Register shall (save in the case of manifest error) be conclusive evidence of the number of Stapled Securities held by the Depository and each Holder (other than the Depository) and, in the event of any discrepancy between the entries in the Register and the confirmation notes issued by the REIT Manager and the Trustee-Manager to the Depository or (as the case may be) the Holder under Clause 3.4, the entries in the Register shall prevail unless the REIT Trustee, the REIT Manager, the Trustee-Manager and the Depository mutually agree that the Register is incorrect.

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9.3.2 For so long as Ascendas Hospitality Trust is Listed on the SGX-ST, the REIT Manager, the REIT Trustee and the Trustee-Manager shall have entered into the Depository Services Terms and Conditions for the Depository to maintain a record in the Depository Register of the Depositors having Stapled Securities credited into their respective Securities Accounts and to record in the Depository Register the information referred to in Clauses 9.1.1 to 9.1.6 in relation to each Depositor. Each Depositor named in the Depository Register shall for such period as the Stapled Securities are entered against his name in the Depository Register, be deemed to be the owner in respect of the number of Stapled Securities entered against such Depositor's name in the Depository Register and the REIT Trustee, the REIT Manager and the Trustee-Manager shall be entitled to rely on any and all such information in the Depository Register. Subject to the terms of the Depository Services Terms and Conditions, two or more persons may be registered as Joint Depositors of Stapled Securities.

9.3.3 The entries in the Depository Register shall (save in the case of manifest error) be conclusive evidence of the number of Stapled Securities held by each Depositor and, in the event of any discrepancy between the entries in the Depository Register and the details appearing in any contract statements, confirmation notes, statements of account balances and statements of transactions and accounts balances issued by the Depository, the entries in the Depository Register shall prevail unless the Depositor proves, to the satisfaction of the REIT Trustee, the REIT Manager, the Trustee-Manager and the Depository that the Depository Register is incorrect.

9.4 Change of Name or Address

For so long as Ascendas Hospitality Trust is Unlisted, any change of name or address on the part of any Holder shall forthwith be notified by such Holder to the REIT Manager and the Trustee-Manager in writing or in such other manner as the REIT Manager and the Trustee-Manager may approve. If the REIT Manager and the Trustee-Manager is satisfied with the change in name or address and that all formalities as may be required by the REIT Manager and Trustee-Manager have been complied with, the REIT Manager and the Trustee-Manager shall alter or cause to be altered the Register accordingly.

9.5 Inspection of Register

Except when the Register is closed in accordance with Clause 9.6, the Register shall during Business Hours (subject to such reasonable restrictions as the REIT Trustee and Trustee-Manager may impose but so that not less than two hours in each Business Day shall be allowed for inspection) be open to the inspection of any Holder or (as the case may be) any Depositor, without charge PROVIDED THAT if the Register is kept on magnetic tape or in accordance with some other mechanical or electrical system the provisions of this Clause 9.5 may be satisfied by the production of legible evidence of the contents of the Register.

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9.6 Closure of Register

Subject to the Relevant Laws, Regulations and Guidelines, the Register may be closed at such times and for such periods as the REIT Trustee and Trustee-Manager may from time to time determine PROVIDED THAT it shall not be closed for more than 30 days in any one year.

9.7 Transfer of Stapled Securities

9.7.1 For so long as Ascendas Hospitality Trust is Listed on the SGX-ST, transfers of Stapled Securities between Depositors shall be effected electronically through the Depository making an appropriate entry in the Depository Register in respect of the Stapled Securities that have been transferred in accordance with the Depository Requirements and the provisions of Clauses 9.2 to 9.6 shall not apply. The REIT Manager and the Trustee-Manager shall be entitled to appoint the Depository to facilitate transactions of Stapled Securities within the Depository and maintain records of Stapled Securities of Holders credited into Securities Accounts and to pay out of the Deposited Property and/or Trust Property of Ascendas Hospitality REIT and/or Ascendas Hospitality BT all fees, costs and expenses of the Depository arising out of or in connection with such services to be provided by the Depository. Any transfer or dealing in Stapled Securities on the SGX-ST between a Depositor and another person shall be transacted at a price agreed between the parties and settled in accordance with the Depository Requirements. The broker or other financial intermediary effecting any transfer or dealing in Stapled Securities on the SGX-ST shall be deemed to be the agent duly authorised by any such Depositor or person on whose behalf the broker or intermediary is acting. In any case of transfer, all charges in relation to such transfer as may be imposed by the REIT Manager and Trustee-Manager and/or the Depository shall be borne by the Holder or (as the case may be) the Depositor who is the transferor. There are no restrictions as to the number of Stapled Securities which may be transferred by a transferor to a transferee. For so long as Ascendas Hospitality Trust is Listed, in the case of a transfer of Stapled Securities credited from a Securities Account into another Securities Account, the instrument of transfer (if applicable) shall be in such form as provided by the Depository and the transferor shall be deemed to remain the Depositor of the Stapled Securities transferred until the relevant Stapled Securities have been credited into the Securities Account of the transferee or transferred out of a Securities Account and registered on the Depository Register. If the Stapled Securities are Listed on any other Recognised Stock Exchange, the transfer of Stapled Securities shall be in accordance with the requirements of the relevant Recognised Stock Exchange. No transfer or purported transfer of a Listed Stapled Security other than a transfer made in accordance with this Clause 9.7.1, shall entitle the transferee to be registered in respect thereof; neither shall any notice of such transfer or purported transfer (other than aforesaid) be entered upon the Depository Register.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

- 9.7.2** For so long as Ascendas Hospitality Trust is Unlisted, every Holder shall be entitled to transfer any of the Units held by him or, in the case of Joint Holders, by any one of the Joint Holders as follows:
- (i) a transfer of Stapled Securities shall be effected by an instrument of transfer in writing in common form (or in such other form as the REIT Trustee, the REIT Manager and the Trustee-Manager may from time to time approve);
 - (ii) every instrument of transfer relating to Stapled Securities must be signed by the transferor and the transferee and, subject to the provisions of Clause 9.7, the transferor shall be deemed to remain the Holder of the Stapled Securities transferred until the name of the transferee is entered in the Register in respect thereof. The instrument of transfer need not be a deed;
 - (iii) all charges in relation to such transfer as may be imposed by the REIT Trustee and the Trustee-Manager shall be borne by the Holder who is the transferor; and
 - (iv) there are no restrictions as to the number of Stapled Securities which may be transferred.
- 9.7.3** Every instrument of transfer referred to in Clause 9.7.2 must be duly stamped (if required by law) and left with the REIT Manager and the Trustee-Manager for registration accompanied by any necessary declarations or other documents that may be required in consequence of any Relevant Laws, Regulations and Guidelines and by such evidence as the REIT Manager and Trustee-Manager may require to prove the title of the transferor or his right to transfer the Stapled Securities.
- 9.7.4** For so long as Ascendas Hospitality Trust is Unlisted, the REIT Trustee, upon notification by the REIT Manager, shall alter or cause to be altered the Register to record the date of each transfer effected in respect of Stapled Securities and the name and address of the transferee with the Trustee-Manager.
- 9.7.5** For so long as Ascendas Hospitality Trust is Unlisted, all instruments of transfer which are registered in respect of Stapled Securities shall be retained by the REIT Trustee and Trustee-Manager.
- 9.7.6** For so long as Ascendas Hospitality Trust is Unlisted, a fee not exceeding S\$10 (or such other amount as the REIT Trustee, the REIT Manager and Trustee-Manager may from time to time agree), which excludes any stamp duty or other governmental taxes or charges payable, may be charged by the REIT Trustee and the Trustee-Manager for the registration of any transfer by an instrument of transfer of Stapled Securities. Such fee must, if required by the REIT Trustee and the Trustee-Manager, be paid before the registration of any transfer.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

9.7.7 No transfer or purported transfer of a Stapled Security other than a transfer made in accordance with this Clause 9 shall entitle the transferee to be registered in respect thereof and neither shall any notice of such transfer or purported transfer (other than as aforesaid) be entered upon the Register or the Depository Register.

9.7.8 For so long as Ascendas Hospitality Trust is Unlisted and while Stapling applies, subject to the Relevant Laws, Regulations and Guidelines, the REIT Trustee and/or the Trustee-Manager must not register any transfer of Stapled Securities unless it is a single instrument of transfer of Stapled Securities and any provision of this Clause 9.7 referring to a transfer of Stapled Securities will be deemed to be a reference to such a transfer.

9.8 Death of Holders

The heirs, executors or administrators of a deceased Holder or Depositor of Stapled Securities (not being a Joint Holder or Joint Depositor) shall be the only persons recognised by the REIT Trustee, the REIT Manager and the Trustee-Manager as having title to the Stapled Securities. In case of the death of any one of the Joint Holders or Joint Depositors of Stapled Securities and subject to any Relevant Laws, Regulations and Guidelines, the survivor(s), upon producing such evidence of death as the REIT Trustee, the REIT Manager and the Trustee-Manager may require, shall be the only person or persons recognised by the REIT Trustee, the REIT Manager and the Trustee-Manager as having any title to or interest in the Stapled Securities PROVIDED THAT where the sole survivor is a Minor, the REIT Trustee, the REIT Manager and the Trustee-Manager shall act only on the requests, applications or instructions of the surviving Minor after he attains the age of 18 years and shall not be obliged to act on the requests, applications or instructions of the heirs, executors or administrators of the deceased Joint Holder or Joint Depositor, and shall not be liable for any claims or demands whatsoever by the heirs, executors or administrators of the deceased Joint Holder or Joint Depositor, the Minor Joint Holder or Minor Joint Depositor or the Minor Joint Holder's or Minor Joint Depositor's legal guardian in omitting to act on any request, application or instruction given by any of them (in the case of the Minor, before he attains the age of 18 years).

9.9 Body Corporate

A body corporate may be registered as a Holder or as one of the Joint Holders. The successor in title of any corporate Holder which loses its legal entity by reason of a merger or amalgamation shall, be the only person recognised by the REIT Trustee, the REIT Manager and the Trustee-Manager as having title to the Stapled Securities of such corporate Holder. The registration of a body corporate as a Depositor or a Joint Depositor shall be in accordance with the Depository's terms and conditions for the holding and operation of Securities Accounts. The successor in title of any corporate Depositor resulting from a merger or amalgamation shall, upon producing such evidence as may be required by the REIT Trustee, the REIT Manager and the Trustee-Manager of such succession, be the only person recognised by the REIT Trustee, the REIT Manager and the Trustee-Manager as having title to the Stapled Securities.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

9.10 Minors

A Minor shall not be registered as a sole Holder but may be registered as a Joint Holder PROVIDED THAT each of the other Joint Holders is a person who has attained the age of 18 years. In the event that one of the Joint Holders is a Minor, the REIT Trustee, the REIT Manager and the Trustee-Manager need only act on the instructions given by the other Joint Holder or Joint Holders who has or have attained the age of 18 years.

9.11 Transmission

9.11.1 Any person becoming entitled to a Stapled Security in consequence of the death or bankruptcy of any sole Holder or (as the case may be) Depositor or of being the survivor of Joint Holders or (as the case may be) Joint Depositors may (subject as hereinafter provided), upon producing such evidence as to his title as the REIT Trustee, the REIT Manager and the Trustee-Manager shall think sufficient, either be registered himself as Holder of such Stapled Security upon giving to the REIT Manager and the Trustee-Manager notice in writing of his desire to be recognised as Holder or transfer such Stapled Security to some other person. The Trustee-Manager, upon receipt of any such notice, and the REIT Trustee, upon the REIT Manager's notification, shall alter or cause to be altered the Register accordingly. All the limitations, restrictions and provisions of this Deed relating to transfers shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer were a transfer executed by the Holder or (as the case may be) the Depositor.

9.11.2 Any person becoming entitled to a Stapled Security in consequence of death or bankruptcy as aforesaid may give a discharge for all moneys payable in respect of the Stapled Security but he shall not be entitled in respect thereof to receive notices of or to attend or vote at any meetings of Ascendas Hospitality REIT Unitholders or Ascendas Hospitality BT Unitholders until he shall have been registered as the Holder of such Stapled Security in the Register or (as the case may be) the Depositor of such Stapled Security in the Depository Register.

9.11.3 The REIT Manager and Trustee-Manager may retain any moneys payable in respect of any Stapled Security which any person is, under the provisions as to the transmission of Stapled Securities hereinbefore contained, entitled to be registered as the Holder of or which any person under those provisions is entitled to the transfer of until such person shall be registered as the Holder of such Stapled Security or shall duly transfer the same.

9.12 Payment of Fee

In respect of the registration of any probate, letters of administration, power of attorney, marriage or death certificate, stop notice, order of the court, deed poll or any other document relating to or affecting the title to any Stapled Security, the REIT Trustee and the Trustee-Manager may require from the person applying for such registration a fee of S\$10 (or such other amount as the REIT Manager, the REIT Trustee and the Trustee-Manager may from time to time agree) together with a sum sufficient in the opinion of the REIT Trustee and the Trustee-Manager to cover any stamp duty or other governmental taxes or charges that may be payable in connection with such registration. Such fee, if required by the REIT Trustee and the Trustee-Manager, must be paid before the registration of any transfer.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

9.13 Removal from Register

For so long as Ascendas Hospitality Trust is Unlisted, upon the registration of a transfer of Stapled Securities in favour of the REIT Manager and the Trustee-Manager, the name of the Holder shall be removed from the Register in respect of such Stapled Securities but the names of the REIT Manager and the Trustee-Manager need not be entered in the Register as the Holder of such Stapled Securities. Such removal shall not be treated for any purposes of this Deed as a cancellation of the Stapled Securities or as withdrawing the same from issue.

9.14 Registers must be consistent

The REIT Trustee and the Trustee-Manager must ensure that the Ascendas Hospitality REIT and Ascendas Hospitality BT registers of Holders, if kept separately, are entirely consistent with one another.

9.15 Registrar

The REIT Trustee may, with the approval of the REIT Manager, and the Trustee-Manager may at any time or from time to time appoint agents on their behalf to keep and maintain the Register. The fees and expenses of the Registrar (as may be agreed from time to time between the REIT Trustee, the REIT Manager, the Trustee-Manager and the Registrar) shall be payable out of the Deposited Property and/or Trust Property of Ascendas Hospitality REIT and/or Ascendas Hospitality BT.

11. Unstapling

11.1 Procedure for Unstapling

11.1.1 From the Stapling Commencement Date all Units will remain Stapled for so long as the Stapled Securities remain in issue, until:

- (i) otherwise determined by Extraordinary Resolutions of the Ascendas Hospitality REIT Unitholders and the Ascendas Hospitality BT Unitholders;
- (ii) Stapling becomes unlawful or prohibited by the Listing Rules and all other applicable laws, regulations and guidelines; or
- (iii) the date on which either Ascendas Hospitality REIT or (as the case may be) Ascendas Hospitality BT is terminated or (as the case may be) wound up.

11.1.2 On and from the occurrence of an event described in Clause 11.1.1;

- (i) the REIT Manager and the Trustee-Manager must procure that the Ascendas Hospitality REIT Units and the Ascendas Hospitality BT Units are Unstapled; and
- (ii) except in relation to the ongoing obligations in Clause 5.1.4 and Clause 11.2 and covenants in Clauses 15, 16 and 17, this Deed ceases to be of any force or effect.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

11.2 Consequences of Unstapling

If, as a consequence of Unstapling, the Ascendas Hospitality REIT Units and the Ascendas Hospitality BT Units are no longer Stapled, the REIT Trustee and the Trustee-Manager must promptly:

- 11.2.1 repay any outstanding amount under any loan (including any interest thereon) given to it by the other party prior to Unstapling, unless the other party otherwise agrees;
- 11.2.2 pay any outstanding amounts (including any interest thereon) which it is responsible for under Clause 6.1.2 (unless the other party otherwise agrees); and
- 11.2.3 obtain a release of the other party from any guarantee or other security given by that party to any person in respect of any liability of that party.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

THE RIGHTS OF A-HTRUST STAPLED SECURITYHOLDERS IN RESPECT OF DISTRIBUTIONS

(a) A-HTRUST REIT TRUST DEED

11. Distributions

11.1 Distribution of Income

Subject to this Clause 11 and the Relevant Laws, Regulations and Guidelines, the Manager shall, regardless of whether there are any profits or losses, or retained earnings or accumulated losses in respect of a given period, from time to time, at its sole discretion, make regular distributions of all (or such lower percentage as determined by the Manager in its absolute discretion) of:

11.1.1 the Net Taxable Income (excluding gains from sale of Authorised Investments determined by the IRAS to be trading gains); and

11.1.2 the Net Tax-Exempt Income,

to Holders at quarterly, half-yearly or yearly intervals or at such other intervals as the Manager shall decide in its absolute discretion.

The Manager shall further procure that any Special Purpose Vehicle owned by the Trust will similarly distribute all (or such lower percentage as determined by the Manager in its absolute discretion) of their respective income and gains that are legally available for distribution.

11.2 Manager to Collect

The Manager must collect and pay to the Trustee and the Trustee must receive all moneys, rights and property paid or receivable in respect of the Trust.

11.3 Determination of Income and Reserves

The Manager (acting after consulting the Auditors) is to determine whether any item is income in nature or capital in nature and the extent to which reserves or provisions need to be made. If the Manager determines any item to be capital in nature, the Manager may apply it to any item in the balance sheet of the Trust including, without limitation, Holders' funds and Investments. This Clause 11.3 applies to distributions and to books of account.

11.4 Frequency of Distribution of Income

For so long as the Trust is Unlisted, the Manager shall have the discretion to determine the frequency of each distribution of Income.

For so long as the Trust is Listed, the Manager will endeavour to ensure that for each Financial Year there is at least one distribution and the last distribution covers the period up to the last day of the Financial Year. For each Distribution Period the Manager will calculate, and the Trustee will distribute, each Holder's Distribution Entitlement, in accordance with the provisions of this Clause 11.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

11.4.1 “Distributable Amount” for a Distribution Period is to be determined in accordance with the following formula:

$$DA = NTI + I + E + C$$

Where:

“DA” is the Distributable Amount;

“NTI” (for any Distribution Period prior to the Listing Date) is the Net Taxable Income determined by the Manager; and

(for any Distribution Period after the Listing Date) is the Net Taxable Income for the Distribution Period determined by the Manager less an amount equal to so much of the Net Taxable Income for that Distribution Period directly assessed to Tax on the Trustee and in respect of which Tax has been paid or is payable by the Trustee;

“I” (for any Distribution Period prior to the Listing Date) is so much of the amount (which may be a negative amount) by which Net Taxable Income as agreed between the Manager and the IRAS for any Distribution Period preceding the Distribution Period for which the Distributable Amount is being calculated, exceeds or is less than the Net Taxable Income for that preceding Distribution Period distributed pursuant to this Clause as NTI, but so that the amount is only taken into account in determining the Distributable Amount for the Distribution Period prior to the Listing Date and ending immediately after the agreement between the IRAS and the Manager is reached; and

(for any Distribution Period after the Listing Date) is so much of the amount (which may be a negative amount) by which Net Taxable Income as agreed between the Manager and the IRAS for any Financial Year preceding the Financial Year in which the Distribution Period occurs (less an amount equal to so much of the Net Taxable Income for that Distribution Period directly assessed to Tax on the Trustee and in respect of which Tax has been paid or is payable by the Trustee), exceeds or is less than the Net Taxable Income for that preceding Financial Year distributed pursuant to this Clause 11 as NTI but so that the amount is only taken into account in determining the Distributable Amount for the Distribution Period ending immediately after the agreement between the IRAS and the Manager is reached;

“E” is any amount of Net Tax-Exempt Income which the Manager has determined is to be distributed; and

“C” is any additional amount (including capital), which may be a negative amount, which the Manager has determined is to be distributed or if thought fit by the Manager, to be transferred to or from an undistributed income reserve account.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

11.4.2 Each Holder's Distribution Entitlement is to be determined in accordance with the following formula:

$$DE = DA \times \frac{UH}{UI}$$

where:

"DE" is the Distribution Entitlement;

"DA" is the Distributable Amount;

"UH" is the number of Units held by the Holder, at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent he is entitled to participate in the Distributable Amount; and

"UI" is the number of Units in issue in the Trust at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent the Holder is entitled to participate in the Distributable Amount.

11.5 Distribution of Entitlement

11.5.1 Upon declaration by the Trustee of a distribution, each Holder shall be entitled to receive and the Trustee shall pay the Holder's Distribution Entitlement on or before the Distribution Date for the Distribution Period.

11.5.2 The persons who are Holders on the Record Date for a Distribution Period are entitled to their respective Distribution Entitlements for that Distribution Period.

11.5.3 The Manager and the Trustee must deduct from each Holder's Distribution Entitlement all amounts which:

- (i) are necessary to avoid distributing a fraction of a cent;
- (ii) the Manager determines not to be practical to distribute on a Distribution Date;
- (iii) equal any amount of Tax which has been paid or which the Manager determines is or may be payable by the Trustee or the Manager in respect of the portion of the income of the Trust attributable to such Holder or the amount of the distribution otherwise distributable to such Holder;
- (iv) are required to be deducted by law, the Tax Ruling or this Deed; or
- (v) are payable by the Holder to the Trustee or the Manager.

11.5.4 The Manager must direct the Trustee as to how any sum so retained is to be applied and/or paid.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

11.6 Holder Notification

Each Holder must as and when required by the Manager, provide such information as to his place of residence or any other information relevant for taxation purposes as the Manager may from time to time determine.

11.7 Composition of Distribution

Following the end of each Financial Year, the Manager must notify each Holder of:

11.7.1 the extent to which a distribution under this Clause 11 is composed of, and the types of, income and capital; and

11.7.2 any amounts deducted under Clauses 11.5.3(iii) and 11.5.3(iv).

11.8 Tax Declaration Forms and Tax Distribution Vouchers

11.8.1 The Manager shall where necessary in respect of each Distribution Period before the Distributable Amounts are paid out send to each Holder, a tax declaration form for the purpose of each Holder declaring his tax status. The Manager and the Trustee may rely on any representation made by a Holder as to his tax status made on each relevant tax declaration form returned to the Manager (or its agent) or the Trustee to determine whether or not to deduct Tax from the Distributable Amount. If a Holder fails to make any such declaration in time for a distribution, the Manager and the Trustee shall proceed to deduct the appropriate amount of Tax from the Distributable Amount due to that Holder.

11.8.2 On a distribution having been made, the Trustee shall where necessary issue to each Holder a tax distribution voucher prepared by the Manager in a form approved by the Trustee and the IRAS. In the case of any distribution made on termination of the Trust, each tax distribution voucher shall show what proportion of the distribution represents capital, what proportion represents income exempt from Singapore income tax or income subject to Singapore income tax and what proportion represents the portion of any tax payable by the Trustee on income and gains attributable to the Holders.

11.9 Categories and Sources of Income

11.9.1 For any category or source of income the Manager may keep separate accounts and allocate the income from any category or source to any Holder.

11.9.2 The Manager may cause the distribution of any amount recorded in an account or record kept pursuant to Clause 11.9.1 before the distribution of any other amount.

11.10 Distribution Policy

The Manager and the Trustee acknowledge that subject to Clause 11.1, the Trust's distribution policy on and after the Listing Date is to distribute as much of its income as practicable.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

11.11 Distribution Reinvestment Arrangements

Subject to and in accordance with the Relevant Laws, Regulations and Guidelines, the Manager may advise Holders, from time to time in writing that Holders may, on terms specified in the notice, participate in an arrangement under which Holders may request that all or a proportion of specified distributions due to them be applied to the issue of further Units PROVIDED THAT the Issue Price for any such Units to be issued shall be the Issue Price determined in accordance with Clause 5.3 if the Trust is Listed and Clause 5.4 if the Trust is Unlisted. The Units so issued shall be deemed to be purchased by such Holders. The Manager shall be entitled to amend the terms of any such distribution reinvestment arrangements from time to time by notice in writing to Holders. In the event that the Trust is part of a Stapled Group, the terms of any distribution reinvestment arrangements shall be agreed between the Manager and the other entities in the Stapled Group or responsible entities of such entities in the Stapled Group.

11.12 Capitalisation of Undistributed Distributable Amount

Prior to the Listing Date, the Manager, with the agreement of all Holders, may elect not to distribute in accordance with Clause 11.4 and in lieu of such distribution capitalise the undistributed Distributable Amount.

11.13 Distribution of Capital and Unrealised Gains

The Manager may with the consent of the Trustee (which consent shall not be unreasonably withheld) cause the distribution of an amount which represents:

11.13.1 part of the capital of the Trust and which the Manager reasonably determines to be in excess of the financial needs of the Trust; or

11.13.2 part or all of the unrealised gains (including any revaluation gains).

12. Place and Conditions of Payment

12.1 Place and Conditions of Payment

12.1.1 Any moneys payable by the Trustee to any Holder on the relevant Record Date under the provisions of this Deed shall be paid, in the case of Holders who do not hold their Units jointly with any other person, by cheque or warrant sent through the post to the registered address of such Holder or, in the case of Joint Holders, to the registered address of the Joint Holder who is first named in the Register or to the registered address of any other of the Joint Holders as may be authorised by all of them. Every such cheque or warrant shall be made payable to the order of the person to whom it is delivered or sent and payment of the cheque or warrant by the banker upon whom it is drawn shall be a satisfaction of the moneys payable and shall be a good discharge to the Trustee. Where the Trustee receives the necessary authority in such form as the Trustee shall consider sufficient, the Trustee shall pay the amount due to any Holder to his bankers or other agent and the receipt of such an amount by such bankers or other agent shall be a good discharge therefor.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

12.1.2 Any moneys payable by the Trustee to any Depositor appearing in the Depository Register on the relevant Record Date under the provisions of this Deed shall be paid, in the case of such Depositor's Units or (in the event that the Trust is part of a Stapled Group) Stapled Securities credited into a Securities Account, by transferring such moneys into the Depository's bank account (as notified to the Manager and the Trustee) and by the Trustee causing the Depository to make payment thereof to such Depositor by cheque sent through the post to the address of such Depositor on record with the Depository or, in the case of Joint Depositors, to the registered address of the Joint Depositors on record with the Depository or by any other form as may be agreed between the Manager and the Depository. Payment of the moneys by the Trustee to the Depository shall be a satisfaction of the moneys payable to the relevant Depositor and shall be a good discharge to the Trustee. Any charges payable to the Depository for the distribution of moneys to Depositors under this Deed shall be borne out of the Deposited Property.

12.1.3 No amount payable to any Holder or Depositor shall bear interest.

12.2 Deductions

Before any payment is made to a Holder, there shall be deducted such amounts as any law of Singapore or any law of any other country in which such payment is made may require or allow in respect of any income or other taxes, charges or assessments whatsoever and there may also be deducted the amount of any stamp duties or other government taxes or charges payable by the Manager or (as the case may be) the Trustee for which the Manager or (as the case may be) the Trustee may be made liable in respect of or in connection therewith.

Neither the Manager nor the Trustee shall be liable to account to a Holder for any payment made or suffered to be made by the Manager or (as the case may be) the Trustee in good faith and in the absence of fraud, gross negligence, wilful default, a breach of this Deed or a breach of trust (in the case of the Trustee) to any duly empowered fiscal authority of Singapore or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under this Deed notwithstanding that any such payments ought not to be, or need not have been, made or suffered to be made.

12.3 Receipt of Holders

The receipt of the Holder or (as the case may be) the Depository on behalf of the Depositors, for any amounts payable in respect of Units or (in the event that the Trust is part of a Stapled Group) Stapled Securities shall be a good discharge to the Manager or (as the case may be) the Trustee and if several persons are registered as Joint Holders or, in consequence of the death of a Holder, are entitled to be so registered, any one of them may give effectual receipts for any such amounts.

12.4 Unclaimed Moneys

12.4.1 Any moneys payable to a Holder under this Deed which remain unclaimed after a period of 12 months shall be accumulated in a special account (the "**Unclaimed Moneys Account**") from which the Trustee may, from time to time, make payments to a Holder claiming any such moneys.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

12.4.2 Subject to Clause 26, the Trustee shall cause such sums which represent moneys remaining in the Unclaimed Moneys Account for five years after the date for payment of such moneys into the Unclaimed Moneys Account and interest, if any, earned thereon to be paid into the courts of Singapore and any fees, costs and expenses incurred in relation to such payment into the courts of Singapore shall be deducted from the moneys payable to the relevant Holder PROVIDED THAT if the said moneys are insufficient to meet the payment of all such fees, costs and expenses, the Trustee shall be entitled to have recourse to the Deposited Property for such payment.

12.4.3 Clauses 12.4.1 and 12.4.2 shall not apply to moneys payable to a Holder which remain unclaimed where the Trust is Listed and to the extent that such unclaimed moneys are held by the Depository. Subject to Clause 26, the Trustee shall cause such sums which are returned by the Depository to the Trustee (and which have remained unclaimed by a Holder for a period of six years after the time when such moneys became payable to such Holder) to be paid into the courts of Singapore and any fees, costs and expenses incurred in relation to such payment into the courts of Singapore shall be deducted from the moneys payable to the relevant Holder PROVIDED THAT if the said moneys are insufficient to meet the payment of all such fees, costs and expenses, the Trustee shall be entitled to have recourse to the Deposited Property for such payment.

(b) A-HTRUST BT TRUST DEED

11. Distributions

11.1 Distribution to Holders

Subject to this Clause 11 and the Relevant Laws, Regulations and Guidelines, the Trustee-Manager may, at its sole discretion, make distributions to Holders at half-yearly intervals or at such other intervals as the Trustee-Manager shall decide in its absolute discretion. The Trustee-Manager shall further procure that any Special Purpose Vehicle owned by the Trust will similarly distribute all (or such lower percentage as determined by the Trustee-Manager in its absolute discretion) of their respective income and gains that are legally available for distribution.

11.2 Determination of Distributable Amount and Reserves

The Trustee-Manager (acting after consultation with the Auditors) may from time to time at its absolute discretion:

11.2.1 set aside out of the profits of the Trust and to carry to reserve such sums and make such provisions as it thinks fit;

11.2.2 determine the amount available for distribution; and

11.2.3 capitalise any sum for the time being standing in the reserves or otherwise available for distribution.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

11.3 Frequency of Distribution of Income

For each Distribution Period the Trustee-Manager will calculate and distribute each Holder's Distribution Entitlement in accordance with the provisions of this Clause 11.

11.4 Distribution Entitlement

11.4.1 "Distributable Amount" for a Distribution Period is to be determined in accordance with the following formula:

$$DA = E + C$$

Where:

"DA" is the Distributable Amount;

"E" is any amount which the Trustee-Manager has determined is to be distributed after any reserve determined pursuant to Clause 11.2; and

"C" is any additional amount (including capital), which may be a negative amount, which the Trustee-Manager has determined is to be distributed after any reserve determined pursuant to Clause 11.2 or if thought fit by the Trustee-Manager, to be transferred to or from an undistributed income reserve account.

11.4.2 Each Holder's Distribution Entitlement is to be determined in accordance with the following formula:

$$DE = DA \times \frac{UH}{UI}$$

where:

"DE" is the Distribution Entitlement;

"DA" is the Distributable Amount;

"UH" is the number of Units held by the Holder at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent he is entitled to participate in the Distributable Amount; and

"UI" is the number of Units in issue in the Trust at the close of business on the Record Date for the relevant Distribution Period adjusted to the extent the Holder is entitled to participate in the Distributable Amount.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

11.5 Distribution of Entitlement

- 11.5.1** Upon declaration by the Trustee-Manager of a distribution, each Holder shall be entitled to receive and the Trustee-Manager shall pay, the Holder's Distribution Entitlement on or before the Distribution Date for the Distribution Period.
- 11.5.2** The persons who are Holders on the Record Date for a Distribution Period are entitled to their respective Distribution Entitlements for that Distribution Period.
- 11.5.3** The Trustee-Manager may deduct from each Holder's Distribution Entitlement all amounts which:
- (i) are necessary to avoid distributing a fraction of a cent;
 - (ii) the Trustee-Manager determines not to be practical to distribute on a Distribution Date;
 - (iii) equal any amount of Tax which has been paid or which the Trustee-Manager determines is or may be payable by the Trustee-Manager in respect of the portion of the income of the Trust attributable to such Holder, or the amount of the distribution otherwise distributable to such Holder;
 - (iv) are required to be deducted by law, the Tax Ruling or this Deed; or
 - (v) are payable by the Holder to the Trustee-Manager.
- 11.5.4** The Trustee-Manager may in its absolute discretion determine how any sum so retained is to be applied and/or paid.

11.6 Holder Notification

Each Holder must as and when required by the Trustee-Manager, provide such information as to his place of residence or any other information relevant for taxation purposes as the Trustee-Manager may from time to time determine.

11.7 Categories and Sources of Income

- 11.7.1** For any category or source of income the Trustee-Manager may keep separate accounts and allocate the income from any category or source to any Holder.
- 11.7.2** The Trustee-Manager may cause the distribution of any amount recorded in an account or record kept pursuant to Clause 11.7.1 before the distribution of any other amount.

11.8 Distribution Policy

The Trustee-Manager acknowledges that subject to Clause 11.1, the Trust's distribution policy on and after the Listing Date is to distribute as much of its income as practicable.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

11.9 Distribution Reinvestment Arrangements

Subject to and in accordance with Relevant Laws, Regulations and Guidelines, the Trustee-Manager may advise Holders from time to time in writing that Holders may, on terms specified in the notice, participate in an arrangement under which Holders may request that all or a proportion of specified distributions due to them be applied to the issue of further Units subject to Clause 5.1 and PROVIDED THAT the Issue Price for any such Units to be issued shall be the Issue Price determined in accordance with Clause 5.3 if the Trust is Listed and Clause 5.2 or 5.4 if the Trust is Unlisted. The Units so issued shall be deemed to be purchased by such Holders. The Trustee-Manager shall be entitled to amend the terms of any such distribution reinvestment arrangements from time to time by notice in writing to Holders. In the event that the Trust is part of a Stapled Group, the terms of any distribution reinvestment arrangements shall be agreed between the Trustee-Manager and the other entities in the Stapled Group or responsible entities of such entities in the Stapled Group.

11.10 Capitalisation of Undistributed Distributable Amount

Prior to the Listing Date, the Trustee-Manager, with the agreement of all Holders, may elect not to distribute in accordance with Clause 11.3 and in lieu of such distribution capitalise the undistributed Distributable Amount.

11.11 Distribution of Capital and Unrealised Gains

The Trustee-Manager may at its discretion cause the distribution of an amount which represents:

11.11.1 part of the capital of the Trust and which the Trustee-Manager reasonably determines to be in excess of the financial needs of the Trust; or

11.11.2 part or all of the unrealised gains (including any revaluation gains).

12. Place and Conditions of Payment

12.1 Place and Conditions of Payment

12.1.1 Any moneys payable by the Trustee-Manager to any Holder on the relevant Record Date under the provisions of this Deed shall be paid, in the case of Holders who do not hold their Units jointly with any other person, by cheque or warrant sent through the post to the registered address of such Holder or, in the case of Joint Holders, to the registered address of the Joint Holder who is first named on the Register or to the registered address of any other of the Joint Holders as may be authorised by all of them. Every such cheque or warrant shall be made payable to the order of the person to whom it is delivered or sent and payment of the cheque or warrant by the banker upon whom it is drawn shall be a satisfaction of the moneys payable and shall be a good discharge to the Trustee-Manager. Where the Trustee-Manager receives the necessary authority in such form as the Trustee-Manager shall consider sufficient, it shall pay the amount due to any Holder to his bankers or other agent and the receipt of such an amount by such bankers or other agent shall be a good discharge therefor.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

12.1.2 Any moneys payable by the Trustee-Manager to any Depositor appearing in the Depository Register on the relevant Record Date under the provisions of this Deed shall be paid, in the case of such Depositor's Units or (in the event that the Trust is part of a Stapled Group) Stapled Securities credited into a Securities Account, by transferring such moneys into the Depository's bank account (as notified to the Trustee-Manager) and the Trustee-Manager causing the Depository to make payment thereof to such Depositor by cheque sent through the post to the address of such Depositor on record with the Depository or, in the case of Joint Depositors, to the registered address of the Joint Depositors on record with the Depository or by any other form as may be agreed between the Trustee-Manager and the Depository. Payment of the moneys by the Trustee-Manager to the Depository shall be a satisfaction of the moneys payable to the relevant Depositor and shall be a good discharge to the Trustee-Manager. Any charges payable to the Depository for the distribution of moneys to Depositors under this Deed may be paid out of the Trust Property.

12.1.3 No amount payable to any Holder or Depositor shall bear interest.

12.2 Deductions

Before any payment is made to a Holder, there shall be deducted such amounts as any law of Singapore or any law of any other country in which such payment is made may require or allow in respect of any taxes charges or assessments whatsoever and there may also be deducted the amount of any stamp duties or other government taxes or charges payable by the Trustee-Manager for which the Trustee-Manager may be made liable in respect of or in connection therewith.

The Trustee-Manager shall not be liable to account to a Holder for any payment made or suffered to be made by the Trustee-Manager in good faith and in the absence of fraud, gross negligence, wilful default, a breach of this Deed or a breach of trust or lack of due care to any duly empowered fiscal authority of Singapore or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under this Deed notwithstanding that any such payments ought not to be, or need not have been, made or suffered to be made.

12.3 Receipt of Holders

The receipt of the Holder or (as the case may be) the Depository on behalf of the Depositors for any amounts payable in respect of Units or (in the event that the Trust is part of a Stapled Group) Stapled Securities shall be a good discharge to the Trustee-Manager, and if several persons are registered as Joint Holders or, in consequence of the death of a Holder, are entitled to be so registered, any one of them may give effectual receipts for any such amounts.

12.4 Unclaimed Moneys

12.4.1 Any moneys payable to a Holder under this Deed which remain unclaimed after a period of 12 months shall be accumulated in a special account (the "**Unclaimed Moneys Account**") from which the Trustee-Manager may, from time to time, make payments to a Holder claiming any such moneys.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

- 12.4.2** Subject to Clause 24, the Trustee-Manager may, at its absolute discretion and if practicable, cause such sums which represent moneys remaining in the Unclaimed Moneys Account for five years after the date for payment of such moneys into the Unclaimed Moneys Account and interest, if any, earned thereon to be paid into the courts of Singapore and any fees, costs and expenses incurred in relation to such payment into the courts of Singapore shall be deducted from the moneys payable to the relevant Holder PROVIDED THAT if the said moneys are insufficient to meet the payment of all such fees, costs and expenses, the Trustee-Manager shall be entitled to have recourse to the Trust Property for such payment.
- 12.4.3** Clauses 12.4.1 and 12.4.2 shall not apply to moneys payable to a Holder which remain unclaimed where the Trust is Listed and to the extent that such unclaimed moneys are held by the Depository. Subject to Clause 24, the Trustee-Manager may, at its absolute discretion and if practicable, cause such sums which are returned by the Depository to the Trustee-Manager (and which have remained unclaimed by a Holder for a period of six years after the time when such moneys became payable to such Holder) to be paid into the courts of Singapore and any fees, costs and expenses incurred in relation to such payment into the courts of Singapore shall be deducted from the moneys payable to the relevant Holder PROVIDED THAT if the said moneys are insufficient to meet the payment of all such fees, costs and expenses, the Trustee-Manager shall be entitled to have recourse to the Trust Property for such payment.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

THE RIGHTS OF A-HTRUST STAPLED SECURITYHOLDERS IN RESPECT OF VOTING

(a) A-HTRUST REIT TRUST DEED

13 Voting Rights in Respect of the Deposited Property

13.1 Manager's Right to Determine How Voting Rights are Exercised

Except as otherwise expressly provided and subject to Clause 10.4 relating to Special Purpose Vehicles and Treasury Companies owned by the Trustee, all rights of voting conferred by any of the Deposited Property shall be exercised in such manner as the Manager may in writing direct and the Manager may refrain at its own discretion from the exercise of any voting rights and no Holder shall have any right to interfere or complain.

The Trustee shall, upon written request by and at the expense of the Manager from time to time, execute and deliver or cause to be executed or delivered to the Manager or its nominees such powers of attorney or proxies as the Manager may reasonably require, in such name or names as the Manager may request, authorising such attorneys and proxies to vote, consent or otherwise act in respect of all or any part of the Deposited Property.

The Manager shall be entitled to exercise the said rights in what the Manager may consider to be the best interests of the Holders, but neither the Manager nor the Trustee shall be under any liability or responsibility in respect of the management of the Investment in question nor in respect of any vote, action or consent given or taken or not given or not taken by the Manager whether in person or by proxy, and neither the Trustee nor the Manager nor the holder of any such proxy or power of attorney shall incur any liability or responsibility by reason of any error of law or mistake of fact or any matter or thing done or omitted to be done or approval voted or given or withheld by the Trustee or the Manager or by the holder of such proxy or power of attorney under this Deed; and the Trustee shall be under no obligation to anyone and shall not incur any liability with respect to any action taken or caused to be taken or omitted to be taken by the Manager or by any such proxy or attorney.

The Manager shall in respect of its having exercised or not having exercised any such right of voting, action or consent keep a written record of such exercise or non-exercise and shall at all reasonable times during Business Hours give the Trustee and any Holder reasonable access to such record and allow the Trustee and any Holder to inspect such record but neither the Trustee nor any Holder shall be entitled to remove the same or to make any entries therein or alterations thereto, PROVIDED ALWAYS THAT if such record is kept on magnetic tape or in accordance with some other mechanical or electrical system the provisions of this Clause 13.1 may be satisfied by the production of legible evidence of the contents of such record.

13.2 Construction of Voting Rights

The phrase “**rights of voting**” or the word “**vote**” used in this Clause 13 shall be deemed to include not only a vote at a meeting but any consent to or approval of any arrangement, scheme or resolution or any alteration in or abandonment of any rights attaching to any part of the Deposited Property and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

30. Meetings of Holders

The provisions set out in Schedule 1 relating to meetings of Holders shall have effect as if the same were included herein.

Schedule 1

MEETING OF HOLDERS

1. A general meeting to be called the “Annual General Meeting” shall, in addition to any other meeting of Holders, be held once in every calendar year and not more than 15 months after the holding of the last preceding Annual General Meeting, but so long as the Trust holds its first Annual General Meeting within 18 months of its constitution, the Trust need not hold it in the year of its constitution or in the following year. Save as set out above and in Clause 21, all Annual General Meetings may be held at such time and place as may be determined by the Trustee and the Manager. All other general meetings shall be called Extraordinary General Meetings.
2. The Trustee or the Manager (and the Manager shall at the request in writing of not less than 50 Holders or Holders representing not less than 10.0% of the issued Units of the Trust) may at any time convene a meeting of Holders at such time and place (subject as hereinafter provided) as may be thought fit and the following provisions of this Schedule shall apply thereto. Any such meeting convened shall be held in Singapore.
3. Prior to the Listing Date or (in the event that the Trust is part of a Stapled Group) the listing of the Stapled Group, the Manager or (being a Holder) any Associate thereof shall be entitled to receive notice of and attend at any such meeting and shall be entitled to vote or be counted in the quorum thereof at a meeting convened to consider a matter in respect of which the Manager or any Associate has a material interest.
4. After the Listing Date or (as the case may be) the listing of the Stapled Group, the Manager or (being a Holder), the controlling shareholders (as defined in the Listing Rules) of the Manager and any Associate thereof shall be entitled to receive notice of and attend at any such meeting but shall subject to paragraph 5(ii) of this Schedule, not be entitled to vote or be counted in the quorum thereof at a meeting convened to consider a matter in respect of which the relevant controlling shareholders of the Manager or any Associate has a material interest (including, for the avoidance of doubt, interested person transactions (as defined in the Listing Rules and/or the listing rules of other relevant Recognised Stock Exchange) and interested party transactions (as defined in the Property Funds Appendix) and accordingly for the purposes of the following provisions of this Schedule, Units or (as the case may be) Stapled Securities held or deemed to be held by the Manager or any Associate shall not be regarded as being in issue under such circumstances. Any director, the secretary and any solicitor of the Manager, the Trustee and directors and any authorised official and any solicitor of the Trustee shall be entitled to attend and be heard at any such meeting.
5. A meeting of Holders duly convened and held in accordance with the provisions of this Schedule shall be competent by:
 - (i) Extraordinary Resolution to:
 - (a) sanction any modification, alteration or addition to the provisions of this Deed which shall be agreed by the Trustee and the Manager as provided in Clause 28 of this Deed;

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

- (b) sanction a supplemental deed (including amending and restating deed) increasing the maximum permitted limit or any change in the structure of the Management Fee (including the Base Fee and the Performance Fee), the Acquisition Fee, the Divestment Fee and the Trustee's remuneration as provided in Clause 15 of this Deed;
 - (c) remove the Auditors and appoint other Auditors in their place as provided in Clause 22.3 of this Deed;
 - (d) remove the Trustee as provided in Clause 23.3.4 of this Deed;
 - (e) direct the Trustee to take any action pursuant to Section 295 of the Securities and Futures Act (relating to the winding up of the Trust);
 - (f) delist the Trust after it has been Listed as provided in Clause 9.2 of this Deed; and
 - (g) issue Units on an unpaid or partly paid basis pursuant to Clause 5.5 of this Deed; and
- (ii) a resolution duly proposed and passed as such by a simple majority of Holders present and voting at a general meeting, with no Holder being disenfranchised, to remove the Manager as provided in Clause 24.1.4 of this Deed,

and shall have such further or other powers under such terms and conditions as may be determined by the Manager with the prior written approval of the Trustee. Any decision to be made by resolution of the Holders other than those specified in this paragraph 5(i) to (ii), shall be made by Ordinary Resolution, unless an Extraordinary Resolution is required by the Securities and Futures Act, the Code or the Listing Rules or the listing rules of any other relevant Recognised Stock Exchange.

- 5.1 Subject to paragraph 5.2 below, at least 2 days' notice (in the case of Holders' meetings prior to the Listing Date) or 14 days' notice (in the case of Holders' meetings after the Listing Date or (as the case may be) the listing of the Stapled Group) to pass an Ordinary Resolution or 21 days' notice (in the case of Holders' meetings after the Listing Date to pass an Extraordinary Resolution) (not inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Holders in manner provided in this Deed. The notice shall specify the place, day and hour of meeting and the terms of the resolutions to be proposed, and each such notice may, in general, be given by advertisement in the daily press and in writing to each stock exchange on which the Trust or the Stapled Group is listed. A copy of the notice shall be sent by post to the Trustee unless the meeting shall be convened by the Trustee. Any accidental omission to give notice to or the non-receipt of notice by any of the Holders shall not invalidate the proceedings at any meeting. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolutions in respect of such businesses.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

- 5.2 Notwithstanding the provisions of paragraph 5.1 above, a meeting of Holders convened by the Trustee for the purposes of the winding up of the Trust pursuant to the Securities and Futures Act shall comply with the relevant requirements of the Securities and Futures Act.
6. The quorum shall be not less than two Holders (whether present in person or by proxy) together holding or representing one-tenth in value of all the Units or (as the case may be) Stapled Securities for the time being in issue. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.
7. If within half an hour from the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to such day and time being not less than 15 days thereafter and to such place as shall be determined for the purpose by the Chairman of the meeting. Notice of the adjourned meeting shall be given in the same manner as for an original meeting. Such notice shall state that the Holders present at the adjourned meeting whatever their number and the value of the Units or (as the case may be) Stapled Securities held by them will form a quorum thereat. At any such adjourned meeting the Holders present in person or by proxy thereat shall be a quorum.
8. A person nominated in writing by the Trustee shall preside at every meeting and if no such person is nominated or if at any meeting the person nominated shall not be present within fifteen minutes after the time appointed for holding the meeting, the Holders present shall choose one of their number to be Chairman.
9. The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
10. At any meeting a resolution put to the vote of the meeting shall, subject to the requirements of the prevailing Relevant Laws, Regulations and Guidelines, be decided on poll. A Holder shall not be entitled to vote unless all calls or other sums personally payable by him in respect of Units have been paid. Every Holder shall, notwithstanding any provision to the contrary in this Deed, have a right to attend any general meeting of the Holders and to speak and vote on any resolution before the meeting in accordance with this Schedule.
11. A poll shall be taken in such manner as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was conducted.
12. A poll shall be taken at such time and place as the Chairman directs.
13. On a poll every Holder who is present in person or by proxy shall have one vote for every Unit or (as the case may be) Stapled Security of which he is the Holder. A person entitled to more than one vote need not use all his votes or cast them the same way.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

14. In the case of Joint Holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the vote of the other Joint Holders and for this purpose seniority shall be determined by the order in which the names stand in the Register, the first being the senior.
15. On a poll votes may be given either personally or by proxy.
16. The instrument appointing a proxy shall be in writing, under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised.
17. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at such place as the Trustee or the Manager with the approval of the Trustee may in the notice convening the meeting direct or if no such place is appointed then at the registered office of the Manager not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be a Holder.
18. An instrument of proxy may be in the usual common form or in any other form which the Trustee shall approve.
19. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Units or (as the case may be) Stapled Securities in respect of which the proxy is given Provided That no intimation in writing of such death, insanity, revocation or transfer shall have been received at the place appointed for the deposit of proxies or if no such place is appointed at the registered office of the Manager before the commencement of the meeting or adjourned meeting at which the proxy is used.
20. Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Manager at the expense of the Manager and any such minute as aforesaid if purporting to be signed by the Chairman of the meeting shall be conclusive evidence of the matters therein stated and until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat to have been duly passed.
21. A resolution in writing signed by or on behalf of all the Holders for the time being entitled to receive notice of any meeting of Holders shall be as valid and effectual as a resolution (including an Extraordinary Resolution) passed at a meeting of those Holders duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by or on behalf of one or more of the Holders concerned.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

22. For the purpose of this Deed, an Extraordinary Resolution means a resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Holders or (as the case may be) Depositors named in the Depository Register as at 48 hours before the time of such meeting as certified by the Depository to the Manager and an Ordinary Resolution means a resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution at a meeting of Holders or (as the case may be) Depositors named in the Depository Register as at 48 hours before the time of such meeting as certified by the Depository to the Manager. An Extraordinary Resolution or (as the case may be) an Ordinary Resolution shall be binding on all Holders whether or not present at the relevant meeting and each of the Holders and the Trustee and the Manager shall, subject to the provision relating to indemnity in this Deed, be bound to give effect thereto accordingly.
23. A corporation, being a Holder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of Holders and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
24. A Holder who is a Relevant Intermediary may appoint more than two proxies to exercise all or any of its rights to attend, speak and vote at every meeting. In any case where a form of proxy appoints more than one proxy, the proportion of the holding of Units or (in the event the Trust is part of a Stapled Group) Stapled Securities concerned to be represented by each proxy shall be specified in the form of proxy, provided that each proxy must be appointed to exercise the rights attached to different Units or (in the event the Trust is part of a Stapled Group) different Stapled Securities held by it (which number of Units or (in the event the Trust is part of a Stapled Group) Stapled Securities, shall be specified).
25. For the purposes of determining the number of Units held in respect of Units, or (as the case may be) the number of Stapled Securities held in respect of Stapled Securities, registered in the name of the Depository and the number of votes which a particular Holder may cast in respect of such Units or (as the case may be) Stapled Securities, each of the Trustee and the Manager shall be entitled and bound to accept as accurate the number of Units or (as the case may be) Stapled Securities credited into the Securities Account(s) of the relevant Depositor as shown in the records of the Depository as at a time not earlier than 48 hours prior to the time of the relevant meeting, supplied by the Depository to the Trustee, and to accept as the maximum number of votes which in aggregate that Depositor and his proxy(ies) (if any) are able to cast on a poll a number which is the number of Units or (as the case may be) Stapled Securities credited into the Securities Account(s) of the relevant Depositor, as shown in the aforementioned records of the Depository, whether that number is greater or smaller than that specified by the Depositor or in the instrument of proxy. Neither the Trustee nor the Manager shall under any circumstances be responsible for, or liable to any person as a result of it, acting upon or relying on the aforementioned records of the Depository.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

26. Notwithstanding anything in this Deed, where a corporation is beneficially entitled to all the Units or (as the case may be) Stapled Securities in issue and a minute is signed by a duly authorised representative of the corporation stating that any act, matter, or thing, or any Ordinary Resolution or Extraordinary Resolution, required by this Deed to be made, performed, or passed by or at a meeting of Holders has been made, performed, or passed, that act, matter, thing, or resolution shall, for all purposes, be deemed to have been duly made, performed, or passed by or at a meeting of Holders duly convened and at which a quorum is formed. For the avoidance of doubt, paragraph 8 of this Schedule need not be complied with when any act, matter, thing, or resolution is be deemed to have been duly made, performed, or passed by or at a duly convened meeting of Holders by virtue of this paragraph 26.

(b) A-HTRUST BT TRUST DEED

13 Voting Rights in respect of the Trust Property

13.1 Trustee-Manager's Right to Determine How Voting Rights are Exercised

Except as otherwise expressly provided and subject to Clause 9.5 relating to Special Purpose Vehicles and Treasury Companies owned by the Trustee-Manager, all rights of voting conferred by any of the Trust Property shall be exercised in such manner as the Trustee-Manager may in writing direct and the Trustee-Manager may refrain at its own discretion from the exercise of any voting rights and no Holder shall have any right to interfere or complain.

The Trustee-Manager shall, from time to time, execute and deliver such powers of attorney or proxies, in such name or names as the Trustee-Manager may request, authorising such attorneys and proxies to vote, consent or otherwise act in respect of all or any part of the Trust Property.

The Trustee-Manager shall be entitled to exercise the said rights in what the Trustee-Manager may consider to be the best interests of the Holders, but the Trustee-Manager shall not be under any liability or responsibility in respect of the management of the Trust Asset in question nor in respect of any vote, action or consent given or taken or not given or not taken by the Trustee-Manager whether in person or by proxy save for when the Trustee-Manager is fraudulent, grossly negligent or in wilful default, in breach of this Deed or breach of trust or fails to exercise Due Care, and neither the Trustee-Manager nor the holder of any such proxy or power of attorney shall incur any liability or responsibility by reason of any error of law or mistake of fact or any matter or thing done or omitted to be done or approval voted or given or withheld by the Trustee-Manager or by the holder of such proxy or power of attorney under this Deed save for when the Trustee-Manager is fraudulent, grossly negligent or in wilful default, in breach of this Deed or breach of trust or fails to exercise Due Care; and the Trustee-Manager shall be under no obligation to anyone and shall not incur any liability with respect to any action taken or caused to be taken or omitted to be taken by any such proxy or attorney save for when the Trustee-Manager is fraudulent, grossly negligent or in wilful default, in breach of this Deed or breach of trust or fails to exercise Due Care.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

The Trustee-Manager shall in respect of its having exercised or not having exercised any such right of voting, action or consent keep a written record of such exercise or non-exercise and shall at all reasonable times during Business Hours give any Holder reasonable access to such record and allow any Holder to inspect such record but no Holder shall be entitled to remove the same or to make any entries therein or alterations thereto, PROVIDED ALWAYS THAT if such record is kept on magnetic tape or in accordance with some other mechanical or electrical system the provisions of this Clause 13.1 may be satisfied by the production of legible evidence of the contents of such record.

13.2 Construction of Voting Rights

The phrase “rights of voting” or the word “vote” used in this Clause 13 shall be deemed to include not only a vote at a meeting but any consent to or approval of any arrangement, scheme or resolution or any alteration in or abandonment of any rights attaching to any part of the Trust Property and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.

28. Meeting of Holders

The provisions set out in Schedule 1 relating to meetings of Holders shall have effect as if the same were included herein.

Schedule 1

Meeting of Holders

1. General Meetings

1.1 Annual general meetings

An Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting and, for so long as the Trust is Listed on the SGX-ST and/or any other Recognised Stock Exchange, within such period as may be prescribed by the Listing Rules and/or the listing rules of such other Recognised Stock Exchange) and place as may be determined by the Trustee-Manager. All other general meetings shall be called Extraordinary General Meetings.

1.2 Extraordinary general meetings

The Trustee-Manager may whenever it thinks fit, and shall on requisition in accordance with the Relevant Laws, Regulations and Guidelines, proceed with proper expedition to convene an Extraordinary General Meeting.

1.3 Requisition and calling of general meetings

Requisition of general meetings and calling of general meetings shall be in accordance with the Business Trusts Act and any other Relevant Laws, Regulations and Guidelines.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

2. Notice of General Meeting

- 2.1 Subject to the Business Trusts Act and for so long as the Trust is Listed, the Listing Rules as well, notice of every general meeting shall be given to the Holders in the manner provided in this Deed. The period of notice shall be determined in accordance with the Business Trusts Act and for so long as the Trust is Listed, the Listing Rules as well, PROVIDED THAT the period of notice prescribed under the Business Trusts Act and the Listing Rules (as the case may be) shall not be inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given. Where there is an inconsistency between the Business Trusts Act and the Listing Rules on the period of notice required, the period of notice required for the purposes of this Deed shall be the longer of the periods of notice prescribed by the Business Trusts Act and the Listing Rules. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolutions in respect of such businesses.
- 2.2 The notice shall specify the place, day and hour of meeting and the terms of the resolutions to be proposed. The accidental omission to give notice to or the non-receipt of notice by any of the Holders shall not invalidate the proceedings at any meeting.
- 2.3 Notwithstanding the preceding sub-Paragraphs of this Paragraph 2 but subject to the Relevant Laws, Regulations and Guidelines, any notice or other document required to be served upon or sent to all the Holders for the time being shall be deemed to have been duly served or sent if published in any one leading English-language daily newspaper in Singapore and any one leading Chinese-language daily newspaper in Singapore. Any notice or document so served or sent shall be deemed to have been so served or sent on the date of such publication and, if the publication in the two newspapers does not appear on the same day, on the date of the later publication.

3. Proceedings at Meetings

3.1 Chairman of meetings

The chairman or deputy chairman of the Board or if the chairman or deputy chairman is not present or there is no chairman or deputy chairman present, a person nominated in writing by the Trustee-Manager shall preside as chairman (“**Chairman**”) at a general meeting. If the chairman or deputy chairman is not present within fifteen minutes after the time appointed for holding the general meeting, or in the case where there is no chairman or deputy chairman present and there is no person nominated in writing by the Trustee-Manager or such nominated person is not present, the Holders present shall choose one of their number to be Chairman.

3.2 Holders’ rights at meetings

Every Holder shall, notwithstanding any provision to the contrary in this Deed, have a right to attend any general meeting of the Holders and to speak and vote on any resolution before the meeting in accordance with paragraphs 3.5 and 3.6 of this Schedule.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

3.3 Quorum

No business other than the appointment of a Chairman shall be transacted at any general meeting unless the quorum is present at the commencement of business. The quorum shall be not less than two Holders present in person or by proxy of one-tenth in value of all the Units for the time being in issue, PROVIDED THAT (i) a proxy representing more than one Holder shall only count as one Holder for the purpose of determining the quorum; and (ii) where a Holder is represented by more than one proxy such proxies shall count as only one Holder for the purpose of determining the quorum.

3.4 Adjournment of meetings

3.4.1 If within half an hour from the time appointed for a meeting (or such longer interval as the Chairman may think fit to allow) a quorum is not present, the general meeting, if convened on the requisition of Holders, shall be dissolved. In any other case it shall stand adjourned to such day and time being not less than 15 days thereafter and to such place as shall be determined for the purpose by the Chairman.

3.4.2 Notice of the adjourned meeting shall be given in the same manner as for an original meeting. Such notice shall state that the Holders present at the adjourned meeting whatever their number and the value of the Units held by them will form a quorum thereat. At any such adjourned meeting the Holders present in person or by proxy thereat shall be a quorum.

3.4.3 The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

3.5 Voting

3.5.1 At any meeting a resolution put to the vote of the meeting shall, subject to the requirements of the prevailing Relevant Laws, Regulations and Guidelines, be decided on a poll.

3.5.2 A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the general meeting at which the poll was conducted. The Chairman may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

3.5.3 A poll shall be taken at such time and place as the Chairman directs.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

3.6 Votes of Holders

- 3.6.1** Subject to the Business Trusts Act, each Unit shall confer the right to poll at any meeting to one vote, and one vote only. A Holder shall not be entitled to vote unless all calls or other sums personally payable by him in respect of Units have been paid.
- 3.6.2** On a poll every Holder who is present in person or by proxy shall have one vote for every Unit of which he is the Holder. On a poll votes may be given either personally or by proxy. A person entitled to more than one vote need not use all his votes or cast them the same way.
- 3.6.3** In the case of Joint Holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the vote of the other Joint Holders and for this purpose seniority shall be determined by the order in which the names stand in the Register, the first being the senior.
- 3.6.4** Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any Holder on the ground (however formulated) of mental disorder, the Trustee-Manager may in its absolute discretion, upon or subject to production of such evidence of the appointment as the Trustee-Manager may require, permit such receiver or other person on behalf of such Holder to vote in person or by proxy at any meeting or to exercise any other right conferred by holding of Units in relation to meetings.
- 3.6.5** No Holder shall, unless the Trustee-Manager otherwise determines, be entitled in respect of Units held by him to vote at a meeting either personally or by proxy or to exercise any other right conferred by holding of Units in relation to meetings if any call or other sum presently payable by him to the Trust in respect of such Units remains unpaid.
- 3.6.6** For the purposes of determining the number of Units or (in the event the Trust is part of a Stapled Group) Stapled Securities held in respect of Units registered in the name of the Depository and the number of votes which a particular Holder may cast in respect of such Units or (in the event the Trust is part of a Stapled Group) Stapled Securities, the Trustee-Manager shall be entitled and bound to accept as accurate the number of Units or (in the event the Trust is part of a Stapled Group) Stapled Securities credited into the Securities Account(s) of the relevant Depositor as shown in the records of the Depository as at a time not earlier than 48 hours prior to the time of the relevant meeting, supplied by the Depository to the Trustee-Manager, and to accept as the maximum number of votes which in aggregate that Depositor and his proxy(ies) (if any) are able to cast on a poll a number which is the number of Units or (in the event the Trust is part of a Stapled Group) Stapled Securities credited into the Securities Account(s) of the relevant Depositor, as shown in the aforementioned records of the Depository, whether that number is greater or smaller than that specified by the Depositor or in the instrument of proxy. The Trustee-Manager shall not under any circumstances be responsible for, or liable to any person as a result of it, acting upon or relying on the aforementioned records of the Depository.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

4. Proxies

- 4.1 An instrument of proxy may be in the usual common form or in any other form which the Trustee-Manager shall approve.
- 4.2 The instrument appointing a proxy shall be in writing, under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised.
- 4.3 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at such place as the Trustee-Manager may in the notice convening the meeting direct or if no such place is appointed then at the registered office of the Trustee-Manager not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be a Holder.
- 4.4 A Holder who is not a Relevant Intermediary may appoint not more than two proxies to attend and vote at the same meeting.
- 4.5 A Holder who is a Relevant Intermediary may appoint more than two proxies to exercise all or any of its rights to attend, speak and vote at every meeting.
- 4.6 In any case where a form of proxy appoints more than one proxy, the proportion of the holding of Units or (in the event the Trust is part of a Stapled Group) Stapled Securities concerned to be represented by each proxy shall be specified in the form of proxy, provided that each proxy must be appointed to exercise the rights attached to different Units or (in the event the Trust is part of a Stapled Group) different Stapled Securities held by it (which number of Units or (in the event the Trust is part of a Stapled Group) Stapled Securities, shall be specified).
- 4.7 If the Holder is a Depositor, the Trustee-Manager shall be entitled and bound:
- 4.7.1 to reject any instrument of proxy lodged if the Depositor is not shown to have any Units or (in the event the Trust is part of a Stapled Group) Stapled Securities entered against his name in the Depository Register as at 48 hours before the time of the relevant meeting as certified by the Depository to the Trust; and
- 4.7.2 to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of Units or (in the event the Trust is part of a Stapled Group) Stapled Securities entered against the name of that Depositor in the Depository Register as at 48 hours before the time of the relevant meeting as certified by the Depository to the Trust, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Units or (in the event the Trust is part of a Stapled Group) Stapled Securities in respect of which the proxy is given PROVIDED THAT no intimation in writing of such death, insanity, revocation or transfer shall have been received at the place appointed for the deposit of proxies or if no such place is appointed at the registered office of the Trustee-Manager before the commencement of the meeting or adjourned meeting at which the proxy is used.

5. Minutes of Proceedings

5.1 The Trustee-Manager shall exercise Due Care to ensure that it will comply with all provisions of Relevant Laws, Regulations and Guidelines in relation to records of proceedings of meetings.

5.2 Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Trustee-Manager and any such minute as aforesaid if purporting to be signed by the Chairman of the meeting shall be evidence of the matters therein stated and until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat to have been duly passed.

6. Resolutions

6.1 An Ordinary Resolution means a resolution proposed and passed as such by a majority being more than 50.0% of the total number of votes cast for and against such resolution at a meeting of Holders or, to the extent permitted by law, a resolution in writing, as described in paragraph 6.3 below.

6.2 An Extraordinary Resolution means a resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Holders or, to the extent permitted by law, a resolution in writing, as described in paragraph 6.3 below.

6.3 A resolution in writing signed by or on behalf of the relevant percentage, as required for the passing of an Ordinary Resolution or Extraordinary Resolution (as the case may be), of the Holders for the time being entitled to receive notice of any meeting of Holders shall be as valid and effectual as an Ordinary Resolution or Extraordinary Resolution (as the case may be) passed at a meeting of those Holders duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by or on behalf of one or more of the Holders concerned. The expressions “**in writing**” and “**signed**” include approval by any such Holder by telefax or any form of electronic communication approved by the Trustee-Manager.

APPENDIX E – EXTRACTS FROM THE A-HTRUST TRUST DEEDS

6.4 An Extraordinary Resolution or an Ordinary Resolution, as the case may be, shall be binding on all Holders or, where applicable, the holders of the Stapled Securities, whether or not present at the relevant meeting and each of the Holders or, where applicable, the holders of the Stapled Securities and the Trustee-Manager shall, subject to the provision relating to indemnity in this Deed, be bound to give effect thereto accordingly.

7. Corporate Representatives

7.1 A corporation, being a Holder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of Holders and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

7.2 Notwithstanding anything in this Deed, where a corporation is beneficially entitled to all the Units or (in the event the Trust is part of a Stapled Group) Stapled Securities in issue and a minute is signed by a duly authorised representative of the corporation stating that any act, matter, or thing, or any Ordinary Resolution or Extraordinary Resolution, required by this Deed to be made, performed, or passed by or at a meeting of Holders has been made, performed, or passed, that act, matter, thing, or resolution shall, for all purposes, be deemed to have been duly made, performed, or passed by or at a meeting of Holders duly convened and at which a quorum is formed. For the avoidance of doubt, paragraph 3.1 of this Schedule need not be complied with when any act, matter, thing, or resolution is be deemed to have been duly made, performed, or passed by or at a duly convened meeting of Holders by virtue of this paragraph 7.2.

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APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

About Ascendas Hospitality Trust

Ascendas Hospitality Trust ("A-HTRUST") is a stapled trust comprising Ascendas Hospitality Real Estate Investment Trust ("A-HREIT") and Ascendas Hospitality Business Trust ("A-HBT"). A-HTRUST was listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 27 July 2012.

A-HTRUST is established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate used predominantly for hospitality purposes globally, as well as real estate-related assets in connection with the foregoing.

A-HTRUST has a portfolio of 14 quality hotels across Australia, Japan, Singapore and Korea of approximately 4,700 rooms.

Hotel	Country/City	Number of rooms
Park Hotel Clarke Quay	Singapore	336
The Splaisir Seoul Dongdaemun ("Splaisir Dongdaemun")	Korea/Seoul	215
ibis Ambassador Seoul Insadong ("ibis Insadong")	Korea/Seoul	363

¹ Previously known as Hotel Sunroute Osaka Namba.

A-HTRUST is managed by Ascendas Hospitality Trust Management Pte. Ltd. (the "Trustee-Manager") and Ascendas Hospitality Fund Management Pte. Ltd. (the "REIT Manager") (Trustee-Manager and REIT Manager collectively "Managers").

Change of Financial Year End

Following the approval by Stapled Securityholders of A-HTRUST at the annual general meeting held on 10 July 2019, A-HTRUST changed its financial year end from 31 March to 31 December. The current financial year will be a 9-month period from 1 April 2019 to 31 December 2019. Thereafter, A-HTRUST's financial year will be a 12-month period ending on 31 December each year.

Distribution Policy

A-HTRUST's distribution policy is to distribute at least 90% of its distributable income with the actual level of distribution to be determined at the Managers' discretion.

Following the change of financial year end, distribution periods for the current financial year will be for a 6-month period from 1 April 2019 and ending 30 September 2019 and a 3-month period from 1 October 2019 and ending 31 December 2019. Thereafter, the distributions shall be made on a semi-annual basis for every 6-month period ending 30 June and 31 December each year.

Hotel	Country/City	Number of rooms
Courtyard by Marriott Sydney – North Ryde	Australia/Sydney	196
Pullman Sydney Hyde Park	Australia/Sydney	241
Novotel Sydney Central	Australia/Sydney	255
Novotel Sydney Parramatta	Australia/Sydney	194
Pullman and Mercure Melbourne Albert Park	Australia/ Melbourne	378
Pullman and Mercure Brisbane King George Square	Australia/Brisbane	438
Hotel Sunroute Ariake	Japan/Tokyo	912
Sotetsu Grand Fresa Osaka-Namba ("Namba Hotel") ¹	Japan/Osaka	698
Hotel WBF Kitasamba West ("WBF West")	Japan/Osaka	168
Hotel WBF Kitasamba East ("WBF East")	Japan/Osaka	168
Hotel WBF Honmachi ("WBF Honmachi")	Japan/Osaka	182

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

FINANCIAL REVIEW OF A-HTRUST FOR THE FIRST QUARTER ENDED 30 JUNE 2019

1(a)(i) Consolidated statements of net income for 1Q FY2019 and 1Q FY2018/19

	1 April 2019 to 30 June 2019		1 April 2018 to 30 June 2018		Variance [Increase (+)/decrease (-)]	
Note	A-HTRUST Group (\$'000)	A-HREIT Group (\$'000)	A-HTRUST Group (\$'000)	A-HREIT Group (\$'000)	A-HTRUST Group (%)	A-HREIT Group (%)
Continuing operations						
Gross revenue						
Gross rental revenue	46,511	8,575	44,923	6,928	3.5	23.8
Food and beverage revenue	33,877	8,500	32,103	6,546	5.5	29.9
Other income	9,782	-	9,547	-	2.5	-
	2,852	75	3,273	382	(12.9)	(80.4)
	(25,260)	(664)	(26,223)	(384)	(3.7)	72.9
Property expenses						
Operations and maintenance expenses	(4,335)	(37)	(4,177)	13	3.8	NM
Hotel management fee	(1,029)	-	(1,138)	-	(9.6)	(9.6)
Property taxes and insurance	(863)	(503)	(719)	(379)	33.9	32.7
Services and other taxes	(669)	(1)	(1,527)	-	(56.2)	NM
Administrative and general expenses	(2,197)	(119)	(2,087)	(75)	5.3	58.7
Sales and marketing expenses	(1,771)	-	(1,671)	-	6.0	6.0
Staff costs	(12,125)	-	(12,336)	-	(1.7)	-
Energy and utilities expenses	(1,296)	(4)	(1,257)	57	3.1	(1.7)
Other expenses	(875)	-	(1,311)	-	(33.3)	-
	21,251	7,911	18,700	6,544	13.6	20.9
Net property income						
Depreciation	(5,519)	-	(5,883)	-	(6.2)	-
Finance income	197	1	160	-	23.1	NM
Finance costs	(3,128)	(684)	(3,377)	(388)	(7.4)	76.3
Finance costs (SFRS(I) 16)	-	-	-	-	-	NM
Fund management fees	(2,215)	(903)	(2,009)	(707)	10.3	27.7
Trustees' fees	(166)	(49)	(174)	(41)	(4.6)	19.5
Foreign exchange (loss)/gain, net	(977)	225	236	40	NM	NM
Other trust expenses	(388)	(132)	(435)	(144)	(10.8)	(8.3)
Net change in fair value of derivative financial instruments	(845)	(285)	(26)	(117)	NM	143.6
Net change in fair value of right-of-use asset (SFRS(I) 16)	-	-	-	-	-	-
Net change in fair value of investment securities	-	(83)	-	(125)	-	(33.6)
	8,210	6,001	7,192	5,062	14.2	18.5
Profit before tax from continuing operations						
	2,188	2,188	2,124	2,124	3.0	-

NM - Not Meaningful

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(a)(i) Consolidated statements of net income for 1Q FY2019 and 1Q FY2018/19 (cont'd)

Note	1 April 2019 to 30 June 2019			1 April 2018 to 30 June 2018			Variance [increase (+)/decrease (-)]		
	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
	(1,293)	(161)	(1,132)	(1,307)	(275)	(1,032)	(1.1)	(41.5)	9.7
	6,917	5,840	1,056	5,885	4,787	1,092	17.5	22.0	(3.3)
Profit from continuing operations, net of tax									
Discontinued operations									
Profit from discontinued operations, net of tax	-	-	-	149,478	-	149,478	NM	-	NM
Profit for the quarter									
	6,917	5,840	1,056	155,363	4,787	150,570	(95.5)	22.0	(99.3)
Profit attributable to Stapled Securityholders of the Trust:									
- Profit from continuing operations, net of tax	6,898	5,840	1,022	5,880	4,787	1,089			
- Profit from discontinued operations, net of tax	-	-	-	149,478	-	149,478			
Profit attributable to non-controlling interests:									
- Profit from continuing operations, net of tax	19	-	34	5	-	3			

NM - Not Meaningful

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(a)(ii) Consolidated statements of comprehensive income for 1Q FY2019 and 1Q FY2018/19

	1 April 2019 to 30 June 2019		1 April 2018 to 30 June 2018		Variance [increase (+)/decrease (-)]	
Note	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HTRUST Group (\$'000)	A-HREIT Group (\$'000)	A-HTRUST Group (\$'000)	A-HREIT Group (\$'000)
Profit for the quarter	6,917	5,840	155,363	4,787	(95.5)	22.0
	(440)	(25)	834	-	NM	NM
	-	-	979	-	NM	-
	(1,375)	4,758	(6,171)	(1,714)	(77.7)	NM
	(1,815)	4,733	(4,358)	(1,714)	(58.4)	NM
	25	-	83	-	(69.9)	-
	(1,790)	4,733	(4,275)	(1,714)	(58.1)	NM
	5,127	10,573	151,088	3,073	(96.6)	NM
	5,183	10,573	466	3,073		(2,606)
	-	-	150,643	-		150,643
	5,183	10,573	151,109	3,073		148,037
	(56)	-	(21)	-		(28)

Profit for the quarter

Items that may be reclassified subsequently to profit or loss:

Cash flow hedges - fair value (loss)/gain

Cash flow hedges - reclassification to profit or loss upon settlement

Foreign currency translation (loss)/gain, net

Item that will not be reclassified to profit or loss:
Revaluation surplus on freehold land and building

Other comprehensive income for the quarter, net of tax

Total comprehensive income for the quarter, net of tax

Total comprehensive income for the quarter attributable to Stapled Securityholders of the Trust:

- Total comprehensive income from continuing operations, net of tax

- Total comprehensive income from discontinued operations, net of tax

Total comprehensive income for the quarter attributable to non-controlling interests:

- Total comprehensive income from continuing operations, net of tax

NM - Not Meaningful

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

Consolidated distribution statements for 1Q FY2019 and 1Q FY2018/19

	1 April 2019 to 30 June 2019		1 April 2018 to 30 June 2018		Variance [increase(+)/decrease(-)]	
Note	A-HTRUST Group (\$'000)	A-HREIT Group (\$'000)	A-HTRUST Group (\$'000)	A-HREIT Group (\$'000)	A-HTRUST Group (%)	A-HREIT Group (%)
Profit for the quarter attributable to Stapled Securityholders of the Trust	6,898	5,840	155,358	4,787	(95.6)	22.0
Add/(less):						
REIT manager's management fee payable in Stapled Securities	452	452	353	353	28.0	-
Trustee-manager's management fee payable in Stapled Securities	655	-	651	-	0.6	0.6
Depreciation	5,519	-	5,883	-	(6.2)	(6.2)
Foreign exchange loss/(gain), net	1,009	(159)	217	(11)	NM	NM
Net change in fair value on derivative financial instruments	845	285	26	117	NM	143.6
Net change in fair value of investment securities	-	83	-	125	-	(33.6)
Partial distribution from disposal gain of China Group	-	-	1,770	-	NM	NM
Gain on disposal of China Group	-	-	(148,096)	-	NM	NM
Others	231	46	285	6	(18.9)	NM
	15,609	6,547	16,447	5,377	(5.1)	21.8
Income available for distribution at end of quarter (before deducting income retained for working capital)		9,124		11,189		(18.5)
Less:						
Income retained for working capital	(1,046)	(458)	(1,155)	-	(9.4)	(49.1)
Income available for distribution at end of quarter (after deducting income retained for working capital)	14,563	6,089	15,292	5,377	(4.8)	13.2

NM - Not Meaningful

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

Notes:

- (a) Ascendas Ariake Godo Kaisha ("AAGK"), a subsidiary of A-HBT, leases Hotel Sunroute Ariake from Ascendas Hospitality Tokutei Mokuteki Kaisha, a subsidiary of A-HREIT. SFRS(I) 16 requires AAGK to recognise a right-of-use ("ROU") asset and lease liability on balance sheet relating to this operating lease with effect from 1 April 2019. The straight-line operating lease payment has been replaced with net change in fair value of ROU asset and finance costs on lease liabilities in statement of net income. Please refer to Note 5 on page 23 for details.
- (b) The net foreign exchange (loss)/gain mainly arose from the revaluation of shareholders' loans denominated in AUD extended from A-HBT to its subsidiaries, in accordance with SFRS(I) 1-21.
- (c) This related mainly to mark-to-market of foreign currency forward contracts which were entered into to hedge foreign currency risk exposures arising mostly from AUD and JPY distribution income.
- (d) The disposal of A-HBT's entire interest in Ascendas China Hotel Investment Limited and Ascendas Hospitality China Pte. Ltd. (collectively, the "China Group") was completed on 18 May 2018. Please refer to Note (c) on page 15 for more details.

	1 April 2019 to 30 June 2019	1 April 2018 to 30 June 2018
	China Group	China Group
	(S\$'000)	(S\$'000)
Gross revenue		3,317
Gross rental revenue	-	3,014
Food and beverage revenue	-	238
Other income	-	65
Property expenses		(1,815)
Operations and maintenance expenses	-	(429)
Hotel management fee	-	(226)
Property taxes and insurance	-	(124)
Services and other taxes	-	(16)
Administrative and general expenses	-	(96)
Sales and marketing expenses	-	(190)
Staff costs	-	(522)
Energy and utilities expenses	-	(82)
Other expenses	-	(130)
Net property income	-	1,502
Finance income	-	14
Foreign exchange gain, net	-	128
Profit before tax from discontinued operations	-	1,644
Income tax expense	-	(262)
Profit from discontinued operations, net of tax	-	1,382
Gain on disposal of subsidiaries	-	148,096
Profit from discontinued operations, net of tax	-	149,478

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

(e) *This related to the exchange differences arising from the translation of the results and the financial position of all the Group entities with functional currencies different from that of the presentation currency of A-HTRUST (SGD).*

(f) *In 1Q FY2019, A-HTRUST retained 6.7% of its income available for distribution to finance the working capital needs of the existing properties (1Q FY2018/19: 7.0%). This amounted to approximately S\$1.0 million (1Q FY2018/19: S\$1.1 million).*

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(b)(i) Balance sheets

Note	30 June 2019				31 March 2019				Variance [increase(+)/decrease(-)]			
	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)	A-HBT Group (%)
ASSETS												
Non-current assets												
	1,223,622	791,521	432,101	432,101	1,212,681	779,699	432,982	432,982	0.9	1.5	(0.2)	(0.2)
(a)	-	-	117,828	117,828	-	-	-	-	-	-	NM	NM
	602,475	-	602,475	602,475	612,225	-	612,225	612,225	(1.6)	-	(1.6)	(1.6)
(b)	-	2,766	-	-	-	2,849	-	-	(44.3)	(2.9)	-	-
	4,887	1	4,886	4,886	8,774	1,525	7,249	7,249	(6.3)	(99.9)	(32.6)	(32.6)
	4,254	-	4,254	4,254	4,540	-	4,540	4,540	(6.3)	-	(6.3)	(6.3)
	4,795	31	4,764	4,764	4,854	32	4,822	4,822	(1.2)	(3.1)	(1.2)	(1.2)
	1,840,033	794,319	1,166,308	1,166,308	1,843,074	784,105	1,061,818	1,061,818	(0.2)	1.3	9.8	9.8
Current assets												
	323	-	323	323	333	-	333	333	(3.0)	-	(3.0)	(3.0)
(c)	11,791	3,264	13,008	13,008	17,635	9,371	12,651	12,651	(33.1)	(65.2)	2.8	2.8
(d)	3,189	1,042	2,147	2,147	4,130	1,482	2,648	2,648	(22.8)	(29.7)	(18.9)	(18.9)
	51,358	20,576	30,782	30,782	72,025	23,393	48,632	48,632	(28.7)	(12.0)	(36.7)	(36.7)
(b)	2,447	987	1,460	1,460	742	106	636	636	NM	NM	129.6	129.6
	499	-	499	499	426	-	426	426	17.1	-	17.1	17.1
	69,607	25,869	48,219	48,219	95,291	34,352	65,326	65,326	(27.0)	(24.7)	(26.2)	(26.2)
	1,909,640	820,188	1,214,527	1,214,527	1,938,365	818,457	1,127,144	1,127,144	(1.5)	0.2	7.8	7.8
LIABILITIES												
Current liabilities												
	33,400	10,471	27,411	27,411	36,819	11,614	29,593	29,593	(9.3)	(9.8)	(7.4)	(7.4)
(e)	1,885	156	1,729	1,729	1,903	155	1,748	1,748	(0.9)	0.6	(1.1)	(1.1)
(e)	2,000	2,000	-	-	5,000	5,000	-	-	(60.0)	(60.0)	-	-
(b)	74,980	49,487	25,493	25,493	-	-	-	-	NM	NM	NM	NM
(a)	2,629	2,339	290	290	15	6	9	9	NM	NM	NM	NM
	1,179	559	620	620	1,457	663	794	794	(19.1)	(15.7)	(21.9)	(21.9)
	116,073	65,012	60,242	60,242	45,194	17,438	32,144	32,144	156.8	NM	87.4	87.4
(f)	(46,466)	(39,143)	(12,023)	(12,023)	50,097	16,914	33,182	33,182	NM	NM	NM	NM

NM - Not Meaningful

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(b)(i) Balance sheets (cont'd)

	30 June 2019		31 March 2019		Variance [increase(+)/decrease(-)]						
	A-HTRUST Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST Group (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HREIT Group (\$'000)	A-HTRUST Group (\$'000)	A-HBT Group (\$'000)	A-HREIT Group (\$'000)	A-HTRUST Group (\$'000)	A-HBT Group (\$'000)
Non-current liabilities											
Other payables	414	414	378	-	378	-	378	-	9.5	-	9.5
Rental and other deposits	17,272	9,216	16,914	7,806	9,108	7,806	9,108	3.2	2.1	3.2	1.2
Deferred income	5,399	4,689	5,892	707	5,185	707	5,185	0.4	(8.4)	0.4	(9.6)
Borrowings	499,902	262,523	493,682	231,289	262,393	231,289	262,393	2.6	1.3	2.6	0.0
Deferred tax liabilities	72,153	44,575	72,477	27,529	44,948	27,529	44,948	0.2	(0.4)	0.2	(0.8)
Derivative financial instruments	3,396	3,003	3,281	1,736	1,545	1,736	1,545	(77.4)	3.5	(77.4)	94.4
Lease liabilities (SFRS(I) 16)	-	113,129	-	-	-	-	-	-	-	-	NM
Medium term notes	69,924	69,644	144,892	49,763	95,129	49,763	95,129	(99.4)	(51.7)	(99.4)	(26.8)
	668,460	507,193	737,516	318,830	418,686	318,830	418,686	(13.9)	(9.4)	(13.9)	(21.1)
Total liabilities	784,533	567,435	782,710	336,268	450,830	336,268	450,830	0.2	0.2	0.2	25.9
Net assets attributable to Stapled Securityholders	1,125,107	647,092	1,155,655	482,189	676,314	482,189	676,314	(2.6)	(2.6)	(2.6)	(4.3)
Stapled Securityholders' funds											
Stapled Securities in issue	982,642	563,222	981,115	418,564	562,551	418,564	562,551	0.2	0.2	0.2	0.1
Issue costs	(15,761)	(9,767)	(15,761)	(5,994)	(9,767)	(5,994)	(9,767)	-	-	-	-
Management fees payable in Stapled Securities	950	655	1,527	856	671	856	671	(65.5)	(37.8)	(65.5)	(2.4)
Revenue reserve	42,083	(21,982)	71,788	71,929	1,322	71,929	1,322	(8.9)	(41.4)	(8.9)	NM
Foreign currency translation reserve	(45,277)	(46,837)	(43,977)	(2,825)	(40,813)	(2,825)	(40,813)	3.0	3.0	3.0	14.8
Asset revaluation reserve	159,650	157,841	159,625	-	157,816	-	157,816	-	0.0	-	0.0
Hedging reserve	(1,121)	(747)	(681)	(341)	(334)	(341)	(334)	64.6	7.3	64.6	123.7
	1,123,166	642,385	1,153,636	482,189	671,446	482,189	671,446	(2.6)	(2.6)	(2.6)	(4.3)
Non-controlling interests	1,941	4,707	2,019	-	4,868	-	4,868	(3.9)	(3.9)	(3.9)	(3.3)
	1,125,107	647,092	1,155,655	482,189	676,314	482,189	676,314	(2.6)	(2.6)	(2.6)	(4.3)
Number of Stapled Securities in issue ('000)	1,136,747	1,136,747	1,135,005	1,135,005	1,135,005	1,135,005	1,135,005	0.42	0.42	0.42	0.60
Net asset value per Stapled Security (\$)	0.99	0.57	1.02	0.42	0.57	0.42	0.57	0.99	0.42	0.99	0.60

NM - Not Meaningful

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

Notes:

- (a) This was due to adoption of SFRS(I) 16. Please refer to Note 5 on page 23 for details.
- (b) Movements in derivative financial instruments arose from fair value changes upon re-measurement of foreign exchange forward contracts, cross currency swaps and interest rate swaps.
- (c) Decrease in trade and other receivables was mainly due to S\$5.6 million VAT input tax refund received in relation to acquisition of WBF West, WBF East and WBF Honmachi hotels in April 2019.
- (d) Decrease in prepayments was mainly due to amortisation of prepaid land and property tax to profit or loss.
- (e) Please refer to page 11 for more details.
- (f) Net current liabilities position was due to reclassification of the medium term notes which are due in April 2020 as current liabilities as at 30 June 2019. The Managers are of the opinion that the Group will be able to secure refinancing to repay the medium term notes when they fall due.

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(b)(ii) Gross Borrowings

	30 June 2019			31 March 2019			Variance [increase (+)/decrease (-)]		
	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Current:									
Unsecured bank loans	2,000	2,000	-	5,000	5,000	-	(60.0)	(60.0)	-
Medium term notes	74,980	49,487	25,493	-	-	-	NM	NM	NM
Total current	76,980	51,487	25,493	5,000	5,000	-	NM	NM	NM
Non-current:									
TMK bonds	175,252	174,003	1,249	170,761	169,544	1,217	2.6	2.6	2.6
Unsecured bank loans	324,650	63,376	261,274	322,921	61,745	261,176	0.5	2.6	0.0
Medium term notes	69,924	280	69,644	144,892	49,763	95,129	(51.7)	(99.4)	(26.8)
Total non-current	569,826	237,659	332,167	638,574	281,062	357,522	(10.8)	(15.4)	(7.1)
Total borrowings ¹	646,806	289,146	357,660	643,574	286,052	357,522	0.5	1.1	0.0

¹ Total borrowings did not include lease liabilities that arose from SFRS(I) 16 adoption and derivative financial instruments.

TMK bonds

The TMK bonds in A-HREIT Group comprise of the following:

- (i) JPY8.0 billion bond issued by Ascendas Hospitality Tokutei Mokuteki Kaisha on 4 October 2017. The bond carries a fixed rate of 0.714% per annum and matures on 4 October 2022;
- (ii) JPY3.82 billion bond issued by Ascendas Hospitality Hommachi Tokutei Mokuteki Kaisha on 28 September 2018. The bond carries a fixed rate of 0.749% per annum and matures on 28 September 2023; and
- (iii) JPY2.18 billion bond issued by Ascendas Hospitality Hommachi Tokutei Mokuteki Kaisha on 20 December 2018. The bond carries a fixed rate of 0.627% per annum and matures on 28 September 2023.

The TMK bond in A-HBT Group relates to JPY100 million bond issued by Ascendas Japan Namba Tokutei Mokuteki Kaisha on 24 March 2017. The bond carries a floating interest rate of 3 Month JPY LIBOR + 1.50% per annum and matures on 23 March 2023.

Unsecured bank loans

As at 30 June 2019, total facilities of the Group are as follows:

- (i) A\$180 million unsecured term loan facility;
- (ii) A\$20 million committed revolving credit facility;
- (iii) USD36 million unsecured term loan facility;
- (iv) JPY5.1 billion unsecured term loan facility;
- (v) KRW32 billion unsecured term loan facility; and
- (vi) S\$170 million of uncommitted revolving credit facilities.

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

Medium term notes

Two tranches of medium term notes have been issued pursuant to the S\$1 billion multi-currency stapled debt issuance programme. The first tranche of 5-year S\$75.0 million (S\$49.5 million under A-HREIT Group and S\$25.5 million under A-HBT Group) 3.3% notes is due April 2020. The second tranche of 6-year S\$70.0 million (S\$0.28 million under A-HREIT Group and S\$69.72 million under A-HBT Group) 3.325% notes is due September 2022.

Details of collateral

The TMK bonds under A-HREIT Group and a portion of unsecured bank loans under A-HBT Group are secured by corporate guarantees from A-HREIT and A-HBT.

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(c) Consolidated cash flow statement

	1 April 2019 to 30 June 2019		1 April 2018 to 30 June 2018			
Note	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)
Cash flows from operating activities						
Profit before tax from continuing operations	8,210	6,001	2,188	7,192	5,062	2,124
Profit before tax from discontinued operations	-	-	-	149,740	-	149,740
Profit before tax, total	8,210	6,001	2,188	156,932	5,062	151,864
Adjustments for:						
Depreciation	5,519	-	5,519	5,883	-	5,883
Gain on disposal of China Group	-	-	-	(148,096)	-	(148,096)
Management fee paid/payable in Stapled Securities	950	295	655	876	225	651
Foreign exchange (gain)/loss from capital reduction	(167)	(202)	35	102	35	67
Foreign exchange loss/(gain), net	1,590	(63)	1,653	1,132	109	1,023
Effects of recognising rental income on a straight line basis over lease term	25	-	25	19	-	19
Net change in fair value of derivative financial instruments	845	285	560	26	117	(91)
Net change in fair value of right-of-use asset (SFRS(I) 16)	-	-	1,094	-	-	-
Net change in fair value of investment securities	-	83	-	-	125	-
Dividend from investment securities	-	(62)	-	-	(119)	-
Finance costs	3,128	684	2,444	3,377	388	2,989
Finance costs (SFRS(I) 16)	-	-	2,497	-	-	-
Finance income	(197)	(1)	(196)	(174)	-	(174)
Amortisation of deferred income	(439)	(3)	(436)	(445)	-	(445)
Operating cash flows before working capital changes	19,464	7,017	16,038	19,632	5,942	13,690
Changes in working capital:						
Inventories	6	-	6	17	-	17
Trade and other receivables	5,650	6,212	(469)	(3,002)	1,773	(5,220)
Prepayments	961	470	491	1,143	357	786
Other assets (current and non-current)	(76)	1	(77)	(85)	1	(86)
Trade and other payables	(1,592)	(329)	(1,356)	(1,182)	(571)	(166)
Rental and other deposits	188	200	(12)	222	194	28
Cash generated from operations	24,601	13,571	14,621	16,745	7,696	9,049
Income tax paid	(1,670)	(232)	(1,438)	(1,648)	(230)	(1,418)
Interest received	183	1	182	171	-	171
Interest paid	(3,406)	(1,090)	(2,316)	(4,172)	(781)	(3,391)
Net cash generated from operating activities	19,708	12,250	11,049	11,096	6,685	4,411

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(c) Consolidated cash flow statement (cont'd)

	1 April 2019 to 30 June 2019		1 April 2018 to 30 June 2018	
Note	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HTRUST Group (\$'000)	A-HREIT Group (\$'000)
Cash flows from investing activities				
Acquisition of property, plant and equipment	(3,208)	-	(2,803)	-
Subsequent capital expenditures on investment property	(585)	(302)	(103)	(103)
Acquisition of investment properties	-	-	(97,347)	-
Dividend income received from investment securities	-	62	-	119
Increase in restricted fixed deposit	-	-	(3,660)	-
Net cash inflow from disposal of China Group	-	-	220,035	-
Deposit paid for acquisition of investment property	-	-	(10,412)	-
Net cash (used in)/generated from investing activities	(3,793)	(240)	105,710	(10,396)
Cash flows from financing activities				
Capital contribution by non-controlling interests	-	-	1,245	1,245
Distribution paid to Stapled Securityholders	(36,603)	(12,277)	(35,418)	(11,655)
Dividends paid to non-controlling interests	(22)	(84)	-	(119)
Proceeds from borrowings, net of transaction costs	9,240	6,400	119,934	18,412
Repayment of borrowings	(9,400)	(9,400)	(254,365)	(3,800)
Payment for lease liabilities (SFRS(I) 16)	-	-	-	-
Net cash (used in)/generated from financing activities	(36,785)	(15,277)	(168,604)	2,957
Net decrease in cash and cash equivalents	(20,870)	(3,267)	(51,798)	(754)
Cash and cash equivalents at beginning of quarter (Note A)	68,437	23,393	93,311	17,170
Effect of exchange rate changes on cash and cash equivalents	335	450	(175)	(41)
Cash and cash equivalents at end of quarter (Note B)	47,902	20,576	41,338	16,375
Note A:				
Continuing operations	72,025	23,393	67,441	17,170
Discontinued operations	-	-	25,870	-
Less: restricted fixed deposit	(3,588)	-	-	-
Cash and cash equivalents at beginning of quarter	68,437	23,393	93,311	17,170
Note B:				
Cash and bank balances	51,358	20,576	44,998	16,375
Less: restricted fixed deposit	(3,456)	-	(3,660)	-
Cash and cash equivalents at end of quarter	47,902	20,576	41,338	16,375

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

Notes:

- (a) This was due to adoption of SFRS(I) 16. Please refer to Note 5 on page 23 for details.
- (b) Restricted fixed deposit relates to security deposit from tenant which can only be drawn down as rental payment upon tenant's default or refunded to tenant upon lease expiry.
- (c) Disposal of China Group

	1 April 2019 to 30 June 2019	1 April 2018 to 30 June 2018
Carrying amounts of assets and liabilities disposed of		
Prepaid land lease	-	32,729
Property, plant and equipment	-	61,411
Inventories	-	44
Trade and other receivables	-	1,067
Prepayments	-	134
Cash and cash equivalents	-	26,642
Other current assets	-	107
Total assets	-	122,134
Trade and other payables	-	2,186
Income tax payable	-	312
Rental and other deposits	-	116
Deferred taxation	-	6,513
Total liabilities	-	9,127
Net assets disposed of	-	113,007
The aggregate cash inflow arising from the disposal of subsidiaries were:		
Net assets disposed of	-	113,007
Transfer from asset revaluation reserve	-	(12,250)
Transfer from foreign currency translation reserve	-	(1,516)
Transfer from other reserve	-	(1,212)
	-	98,029
Gain on disposal	-	148,096
Total sales consideration, net of transaction costs	-	246,125
Less: cash and cash equivalents in subsidiaries disposed of	-	(26,642)
Less: deposit received in prior year	-	(19,460)
Add: professional fees and tax payable	-	20,012
Net cash inflow on disposal of China Group	-	220,035

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
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A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(d)(i) Statements of changes in Stapled Securityholders' funds

	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserve	Foreign currency translation reserve	Asset revaluation reserve	Hedging reserve	Total	Non-controlling interests	Total
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
A-HTRUST										
Balance at 1 April 2019	981,115	(15,761)	1,527	71,788	(43,977)	159,625	(681)	1,153,636	2,019	1,155,655
Profit for the quarter	-	-	-	6,898	-	-	-	6,898	19	6,917
<u>Other comprehensive income</u>										
Cash flow hedges - fair value loss	-	-	-	-	-	-	(440)	(440)	-	(440)
Revaluation surplus on freehold land and building	-	-	-	-	-	25	-	25	-	25
Currency translation differences	-	-	-	-	(1,300)	-	-	(1,300)	(75)	(1,375)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(1,300)	25	(440)	(1,715)	(75)	(1,790)
Total comprehensive income for the quarter, net of tax	-	-	-	6,898	(1,300)	25	(440)	5,183	(56)	5,127
<u>Contributions by and distributions to Stapled Securityholders and non-controlling interests</u>										
Management fees paid in Stapled Securities	1,527	-	(1,527)	-	-	-	-	-	-	-
Management fees payable in Stapled Securities	-	-	950	-	-	-	-	950	-	950
Distributions to Stapled Securityholders	-	-	-	(36,603)	-	-	-	(36,603)	-	(36,603)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(22)	(22)
Total contributions by and distributions to Stapled Securityholders and non-controlling interests	1,527	-	(577)	(36,603)	-	-	-	(35,653)	(22)	(35,675)
Balance at 30 June 2019	982,642	(15,761)	950	42,083	(45,277)	159,650	(1,121)	1,123,166	1,941	1,125,107

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
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A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(d)(i) Statement of changes in Stapled Securityholders' funds (cont'd)

	←---Attributable to Stapled Securityholders of the Trust---→										
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserve	Foreign currency translation reserve	Asset revaluation reserve	Hedging reserve	Reserves of disposal group classified as held for sale	Total	Non- controlling interests	Total
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
A-HTRUST											
Balance at 1 April 2018	976,963	(15,761)	1,446	(94,987)	(14,853)	173,985	(1,199)	13,813	1,039,407	-	1,039,407
Profit for the quarter	-	-	-	155,358	-	-	-	-	155,358	5	155,363
Other comprehensive income	-	-	-	-	-	-	700	134	834	-	834
Cash flow hedges - fair value gain	-	-	-	-	-	-	620	359	979	-	979
Cash flow hedges - reclassification to profit or loss upon settlement	-	-	-	-	-	18	-	65	83	-	83
Revaluation surplus on freehold land and building	-	-	-	-	(6,752)	-	-	607	(6,145)	(26)	(6,171)
Currency translation differences	-	-	-	-	(6,752)	18	1,320	1,165	(4,249)	(26)	(4,275)
Other comprehensive income for the quarter, net of tax	-	-	-	155,358	(6,752)	18	1,320	1,165	151,109	(21)	151,088
Total comprehensive income for the quarter, net of tax	-	-	-	155,358	(6,752)	18	1,320	1,165	151,109	(21)	151,088
Contributions by and distributions to Stapled Securityholders and non-controlling interests	1,446	(1,446)	-	-	-	-	-	-	-	-	-
Management fees paid in Stapled Securities	-	-	876	-	-	-	-	-	876	-	876
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	1,245	1,245
Distributions to Stapled Securityholders	-	-	-	(35,418)	-	-	-	-	(35,418)	-	(35,418)
Total contributions by and distributions to Stapled Securityholders and non-controlling interests	1,446	-	(570)	(35,418)	-	-	-	-	(34,542)	1,245	(33,297)
Others	-	-	-	-	-	-	-	(14,978)	(14,978)	-	(14,978)
Disposal of subsidiaries	-	-	-	-	-	-	-	(14,978)	(14,978)	-	(14,978)
Total others	-	-	-	-	-	-	-	(14,978)	(14,978)	-	(14,978)
Balance at 30 June 2018	978,409	(15,761)	876	24,953	(21,605)	174,003	121	-	1,140,996	1,224	1,142,220

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(d)(i) Statement of changes in Stapled Securityholders' funds (cont'd)

	←---Attributable to Stapled Securityholders of the Trust---→					
Stapled Securities in issue	Issue costs (S\$'000)	Management fees payable in Stapled Securities (S\$'000)	Revenue reserve (S\$'000)	Foreign currency translation reserve (S\$'000)	Hedging reserve (S\$'000)	Total (S\$'000)
A-HREIT Group						
Balance at 1 April 2019	418,564	(5,994)	856	71,929	(2,825)	(341)
Profit for the quarter	-	-	-	5,840	-	-
Other comprehensive income	-	-	-	-	-	-
Cash flow hedges - fair value loss	-	-	-	-	-	(25)
Currency translation differences	-	-	-	4,758	-	4,758
Other comprehensive income for the quarter, net of tax	-	-	-	4,758	-	4,733
Total comprehensive income for the quarter, net of tax	-	-	-	5,840	4,758	10,573
<u>Contributions by and distributions to Stapled Securityholders</u>						
Management fees paid in Stapled Securities	856	-	(856)	-	-	-
Management fees payable in Stapled Securities	-	-	295	-	-	295
Distributions to Stapled Securityholders	-	-	-	(12,277)	-	(12,277)
Total contributions by and distributions to Stapled Securityholders	856	-	(561)	(12,277)	-	(11,982)
Balance at 30 June 2019	419,420	(5,994)	295	65,492	1,933	(366)
						480,780

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
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A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(d)(i) Statement of changes in Stapled Securityholders' funds (cont'd)

	<---Attributable to Stapled Securityholders of the Trust--->					
	Stapled Securities in issue (S\$'000)	Issue costs (S\$'000)	Management fees payable in Stapled Securities (S\$'000)	Revenue reserve (S\$'000)	Foreign currency translation reserve (S\$'000)	Total (S\$'000)
A-HREIT Group						
Balance at 1 April 2018	417,098	(5,994)	751	28,150	1,558	441,563
Profit for the quarter	-	-	-	4,787	-	4,787
Other comprehensive income	-	-	-	-	(1,714)	(1,714)
Currency translation differences	-	-	-	-	(1,714)	(1,714)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(1,714)	(1,714)
Total comprehensive income for the quarter, net of tax	-	-	-	4,787	(1,714)	3,073
<u>Contributions by and distributions to Stapled Securityholders</u>						
Management fees paid in Stapled Securities	751	-	(751)	-	-	-
Management fees payable in Stapled Securities	-	-	225	-	-	225
Distributions to Stapled Securityholders	-	-	-	(11,655)	-	(11,655)
Total contributions by and distributions to Stapled Securityholders	751	-	(526)	(11,655)	-	(11,430)
Balance at 30 June 2018	417,849	(5,994)	225	21,282	(156)	433,206

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(d)(i) Statement of changes in Stapled Securityholders' funds (cont'd)

	←---Attributable to Stapled Securityholders of the Trust---→									
Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserve	Foreign currency translation reserve	Asset revaluation reserve	Hedging reserve	Total	Non- controlling interests	Total	
(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
A-HBT Group										
Balance at 1 April 2019	562,551	(9,767)	671	1,322	(40,813)	157,816	(334)	671,446	4,868	676,314
Profit for the quarter	-	-	-	1,022	-	-	-	1,022	34	1,056
<u>Other comprehensive income</u>	-	-	-	-	-	-	(413)	(413)	(2)	(415)
Cash flow hedges - fair value loss	-	-	-	-	-	25	-	25	-	25
Revaluation surplus on freehold land and building	-	-	-	-	(6,024)	-	-	(6,024)	(109)	(6,133)
Currency translation differences	-	-	-	-	(6,024)	25	(413)	(6,412)	(111)	(6,523)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(6,024)	25	(413)	(6,412)	(111)	(6,523)
Total comprehensive income for the quarter, net of tax	-	-	-	1,022	(6,024)	25	(413)	(5,390)	(77)	(5,467)
<u>Contributions by and distributions to Stapled Securityholders and non-controlling interests</u>	671	-	(671)	-	-	-	-	-	-	-
Management fees paid in Stapled Securities	-	-	655	-	-	-	-	655	-	655
Distributions to Stapled Securityholders	-	-	-	(24,326)	-	-	-	(24,326)	-	(24,326)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(84)	(84)
Total contributions by and distributions to Stapled Securityholders and non-controlling interests	671	-	(16)	(24,326)	-	-	-	(23,671)	(84)	(23,755)
Balance at 30 June 2019	563,222	(9,767)	655	(21,982)	(46,837)	157,841	(747)	642,385	4,707	647,092

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
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A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(d)(i) Statement of changes in Stapled Securityholders' funds (cont'd)

	←--Attributable to Stapled Securityholders of the Trust--→										
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserve	Foreign currency translation reserve	Asset revaluation reserve	Hedging reserve	Reserves or disposal group classified as held for sale	Total	Non-controlling interests	Total
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
A-HBT Group											
Balance at 1 April 2018	559,865	(9,767)	695	(121,338)	(16,244)	172,006	(1,188)	13,813	597,842	3,352	601,194
Profit for the quarter	-	-	-	150,567	-	-	-	-	150,567	3	150,570
Other comprehensive income	-	-	-	-	-	-	699	134	833	1	834
Cash flow hedges - fair value gain	-	-	-	-	-	-	614	359	973	6	979
Cash flow hedges - reclassification to profit or loss upon settlement	-	-	-	-	-	18	-	65	83	-	83
Revaluation surplus on freehold land and building	-	-	-	-	(5,026)	-	-	607	(4,419)	(38)	(4,457)
Currency translation differences	-	-	-	-	(5,026)	18	1,313	1,165	(2,530)	(31)	(2,561)
Other comprehensive income for the quarter, net of tax	-	-	-	150,567	(5,026)	18	1,313	1,165	148,037	(28)	148,009
Total comprehensive income for the quarter, net of tax	-	-	-	150,567	(5,026)	18	1,313	1,165	148,037	(28)	148,009
Contributions by and distributions to Stapled Securityholders and non-controlling interests	695	-	(695)	-	-	-	-	-	-	-	-
Management fees paid in Stapled Securities	-	-	651	-	-	-	-	-	651	-	651
Management fees payable in Stapled Securities	-	-	-	-	-	-	-	-	-	1,245	1,245
Capital contribution by non-controlling interests	-	-	-	(23,763)	-	-	-	-	(23,763)	-	(23,763)
Distributions to Stapled Securityholders	-	-	-	-	-	-	-	-	-	(119)	(119)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to Stapled Securityholders and non-controlling interests	695	-	(44)	(23,763)	-	-	-	-	(23,112)	1,126	(21,986)
Others	-	-	-	-	-	-	-	(14,978)	(14,978)	-	(14,978)
Disposal of subsidiaries	-	-	-	-	-	-	-	(14,978)	(14,978)	-	(14,978)
Total others	-	-	-	-	-	-	-	(14,978)	(14,978)	-	(14,978)
Balance at 30 June 2018	560,560	(9,767)	651	5,466	(21,270)	172,024	125	-	707,789	4,450	712,239

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

1(d)(ii) Details of any changes in the Stapled Securities

	1 April 2019 to 30 June 2019		1 April 2018 to 30 June 2018	
	A-HTRUST (’000)	A-HREIT Group (’000)	A-HTRUST (’000)	A-HBT Group (’000)
Balance at beginning of quarter	1,135,005	1,135,005	1,129,839	1,129,839
Issue of new Stapled Securities				
- Management fees paid in Stapled Securities (a)	1,742	1,742	1,731	1,731
Issued Stapled Securities at end of quarter	<u>1,136,747</u>	<u>1,136,747</u>	<u>1,131,570</u>	<u>1,131,570</u>
Stapled Securities to be issued:				
- Management fees payable in Stapled Securities (a)	976	976	1,136	1,136
Total issued and to be issued Stapled Securities	<u>1,137,723</u>	<u>1,137,723</u>	<u>1,132,706</u>	<u>1,132,706</u>

Note:

(a) These are Stapled Securities issued to the Managers as partial consideration of management fees incurred. The Managers have opted to receive 50% of their fees in Stapled Securities in 1Q FY2019 (50% in 1Q FY2018/19).

1(d)(iii) Total number of issued Stapled Securities excluding treasury units as at the end of the current financial period and as at the end of the immediately preceding year

A-HTRUST, A-HREIT Group and A-HBT Group do not hold any treasury units as at 30 June 2019 and 31 March 2019.

The total number of issued Stapled Securities as at 30 June 2019 and 31 March 2019 were 1,136,746,931 and 1,135,004,953 respectively.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury units as at the end of the current financial period reported on

Not applicable.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable.

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

2 Whether the figures have been audited or reviewed, and in accordance with which standard or practice.

The financial information as set out in paragraphs 1(a)(i), 1(a)(ii), 1(b)(i), 1(b)(ii), 1(c), 1(d)(i), 1(d)(ii), 1(d)(iii) and 7 of this announcement has been extracted from the interim financial report, which has been reviewed in accordance with Singapore Standard on Review Engagements 2410, Review of Interim Financial Information, performed by the independent auditor of the Group.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

The auditor's review report dated 1 August 2019 on the interim financial report of the Group for the period ended 30 June 2019 is enclosed in the Appendix.

In addition, the independent financial advisor's letter on the interim financial report of the Group for the period ended 30 June 2019 is also enclosed in the Appendix.

4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied.

The accounting policies and methods of computation adopted are consistent with those applied in the audited financial statements for the financial year ended 31 March 2019, except for those disclosed under paragraph 5.

5 If there are any changes in the accounting policies and methods of computation, what has changed, as well as the reasons for, and effect of the change.

There has been no change in the accounting policies and methods of computation adopted by A-HTRUST for the current reporting period compared with the audited financial statements as at 31 March 2019, except for the adoption of new Singapore Financial Reporting Standards (International) ("SFRS(I)") applicable for financial year beginning 1 April 2019 as described in the following.

SFRS(I) 16 Leases

SFRS(I) 16 introduces a single, on-balance sheet accounting model for lessees. A lessee recognises a ROU asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor

accounting remains unchanged – i.e. lessors continue to classify leases as finance or operating leases.

AAGK, a subsidiary of A-HBT, leases Hotel Sunroute Ariake from Ascendas Hospitality Tokutei Mokuteki Kaisha, a subsidiary of A-HREIT. SFRS(I) 16 requires AAGK to recognise a ROU asset and lease liability relating to this operating lease. A-HBT Group applied the practical expedient to recognise an amount of ROU assets equal to its lease liabilities at 1 April 2019 using modified retrospective approach and will not restate comparative amounts for the year prior to initial adoption.

Under SFRS(I) 16, qualifying lease payments were no longer recorded as other expenses but will be applied towards reducing the lease liabilities and the associated interest expense. Lessee may present cash paid for the interest portion of the lease liabilities as either operating activities or financing activities, as permitted by SFRS(I) 1-7 – Statement of Cash Flows. A-HBT Group has opted to report payment for the interest portion together with the principal portion under financing activities for cash flow reporting purposes. The application of SFRS(I) 16 did not have an impact on the net cash flows or distributable income of A-HTRUST.

The adoption of SFRS(I) 16 results in increase in total assets and total liabilities, EBITDA and gearing ratio for A-HBT Group. However, there is no impact for A-HTRUST as the intra-group transaction is fully eliminated on consolidation.

The impacts of initial application of SFRS(I) 16 on the balance sheet of A-HBT Group as at 1 April 2019 are as follows:

1 April 2019	
Before SFRS(I) 16 adjustments (\$'000)	After SFRS(I) 16 adjustments (\$'000)
-	115,933
-	115,933

A-HBT Group

Right-of-use asset (SFRS(I) 16)	-	115,933
Lease liabilities (SFRS(I) 16)	-	115,933

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

6 Group earnings per Stapled Security (“EPS”) and distribution per Stapled Security (“DPS”) for the quarter ended 30 June 2019.

Group earnings per Stapled Security

	1Q FY2019	1Q FY2018/19
Weighted average number of Stapled Securities	1,135,904,656	1,130,733,413
EPS ^(a) for the period based on the weighted average number of Stapled Securities in issue (cents)	0.61	0.52
- from continuing operations	0.61	13.74
- from continuing and discontinued operations		

Weighted average number of Stapled Securities

EPS^(a) for the period based on the weighted average number of Stapled Securities in issue (cents)
 - from continuing operations
 - from continuing and discontinued operations

Note:

(a) The diluted EPS is the same as basic EPS as no dilutive instruments were in issue during the reported quarter.

Group distribution per Stapled Security

	1Q FY2019	1Q FY2018/19
Number of Stapled Securities issued and to be issued at end of the period	1,137,723,271	1,132,706,124
Distribution per Stapled Security (cents) ^(a)	1.28	1.35

Number of Stapled Securities issued and to be issued at end of the period

Distribution per Stapled Security (cents)^(a)

Note:

(a) In 1Q FY2019, A-HTRUST retained 6.7% of its income available for distribution to finance the working capital needs of the existing properties (1Q FY2018/19: 7.0%).

Excluding one-off partial distribution from disposal gain of China Group in 1Q FY2018/19, DPS would be 1.20 cents.

7 Group net asset value (“NAV”) per Stapled Security based on existing Stapled Securities in issue and to be issued as at the end of the quarter

	As at 30 June 2019	As at 31 March 2019
Number of Stapled Securities in issue at end of the period	1,136,746,931	1,135,004,953
Number of Stapled Securities to be issued ^(a)	976,340	1,741,978
Number of Stapled Securities in issue and to be issued at end of the period	1,137,723,271	1,136,746,931
Net asset value per Stapled Security of the Group, based on Stapled Securities in issue and to be issued at end of the period (S\$)	0.99	1.02

Number of Stapled Securities in issue at end of the period

Number of Stapled Securities to be issued^(a)

Number of Stapled Securities in issue and to be issued at end of the period

Net asset value per Stapled Security of the Group, based on Stapled Securities in issue and to be issued at end of the period (S\$)

Note:

(a) Stapled Securities to be issued to the Managers as partial consideration of management fees incurred for the period from 1 April 2019 to 30 June 2019 (31 March 2019: for the period from 1 January 2019 to 31 March 2019).

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

8 Review of the performance

Revenue and Net Property Income – 1Q FY2019 vs. 1Q FY2018/19

	Revenue		Change		Net property income			
	1Q FY2019	1Q FY2018/19	1Q FY2019	1Q FY2018/19	1Q FY2019	1Q FY2018/19	Change	Change
	S\$million	S\$million	S\$million	S\$million	S\$million	S\$million	S\$million	% ⁽¹⁾
Australia	32.9	34.3	(1.3)	(3.9)	8.8	9.1	(0.3)	(3.1)
Japan	8.2	6.9	1.3	19.0	7.2	5.9	1.3	22.8
Korea	2.1	0.4	1.6	N/A	1.9	0.4	1.5	N/A
Singapore	3.3	3.3	0.0	0.3	3.3	3.3	0.0	0.1
Total	46.5	44.9	1.6	3.5	21.3	18.7	2.6	13.7
China ⁽²⁾	-	3.3	(3.3)	(100.0)	-	1.5	(1.5)	(100.0)
Total with China	46.5	48.2	(1.7)	(3.6)	21.3	20.2	1.1	5.2

⁽¹⁾ Computation is based on the financials rounded to the nearest dollar. Any differences between the individual amounts and total thereof are due to rounding.
⁽²⁾ Sale of China assets was completed on 18 May 2018

Group

Gross revenue and net property income ("NPI") for 1Q FY2019 were S\$46.5 million and S\$21.3 million, a decrease of S\$1.7 million and increase of S\$1.1 million respectively as compared to 1Q FY2018/19. The lower revenue was due to the master lease arrangements for the new hotels in Korea and Japan, while the China portfolio (in prior period) was under management contracts. The increase in NPI was lifted by the full quarter contributions from the new hotels, partially offset by the absence of earnings from China portfolio and the unfavourable FX movement in AUD (-4.9%).

Australia

The decrease in NPI of S\$0.3 million was mainly attributable to unfavourable foreign exchange movement (S\$0.5 million). However, it was partially mitigated by refund of prior year land tax surcharge of S\$0.7 million received this quarter.

Our Sydney hotels continued to face competitive market condition and were affected by reduction in average room rates. Pullman Sydney Hyde Park's performance was better than last year due to stronger conferencing performance.

Pullman & Mercure Melbourne Albert Park's performance was affected by soft market conditions and refurbishment of Mercure rooms.

Pullman & Mercure Brisbane King George Square achieved y-o-y growth in both occupancy and room rates as a result of well-executed strategies in driving higher occupancy in the public and corporate segments.

25

Japan

Sunroute Ariake's performance was in line with last year while Namba Hotel's performance was slightly muted due to new hotel supply in Osaka.

With the completion of acquisition of WBF East and WBF West in September 2018 and WBF Honmachi in December 2018, these three hotels contributed S\$1.4m of earnings for 1Q FY2019 to the Japan portfolio.

Korea

Splaisir Dongdaemun and ibis Insadong started contributing to the Group following the completion of the acquisition in May 2018 and December 2018 respectively.

Singapore

Income from Park Hotel Clarke Quay for 1Q FY2019 was in line with last year.

Income available for distribution

Income available for distribution for the quarter was S\$15.6 million. With the retention of S\$1.0 million for working capital in the quarter, income to be distributed for the quarter would be S\$14.6 million, a decrease of S\$0.7 million (4.8%) over the same period last year. The decrease was mainly due to absence of China sale proceeds distribution of S\$1.8 million and mitigated by higher NPI of S\$1.1 million.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual result

No forecast or prospect statement has been previously disclosed.

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

10 Commentary on the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

Demand for hotel accommodation in Sydney is expected to remain robust in the near term although increase in supply may place downward pressure on room rates. Looking ahead, the Melbourne hotel market conditions are expected to remain soft over the medium term as new supply of hotel rooms enters the market. Comparatively limited upcoming supply of rooms over the near term can help to lift the performance of the hotel market in Brisbane, which is further supported by the new runway in Brisbane Airport, scheduled to open in 2020.

The hotel sector in the cities of Tokyo and Osaka are expected to benefit from the Rugby World Cup 2019, which is expected to draw both international and domestic travellers. In addition, the hotel market in Tokyo will be supported by the 2020 Olympics while a new attraction in Universal Studios Japan, slated to open in 2020, provides further boost to the hotels in Osaka. However, the Osaka hotel market is facing more supply of rooms in the medium term.

Recovering demand from China and steady growth from other source markets have resulted in strong y-o-y growth of 16.9% in foreign arrivals into South Korea for the period year-to-date ("YTD") June 2019¹. With moderate upcoming supply in Seoul, increase in inbound travellers is expected to continue driving the performance of the hotel market.

International arrivals into Singapore remained healthy with YTD May 2019 figures posting a 1.5% y-o-y growth to 7.8 million², and greater connectivity to Singapore via new air routes is expected to continue driving inbound arrivals. Amidst relatively modest supply, the growth in inbound travellers bodes well for the hotel sector in the near term but weaker corporate demand will pose headwinds for the sector.

Proposed Combination

On 3 July 2019, A-HTRUST and Ascott Residence Trust jointly announced a proposed combination, which will result in the combined entity becoming the largest hospitality trust in Asia Pacific and amongst the largest globally ("Combination"). The Combination will be effected by way of a trust scheme of arrangement. Indicatively, the scheme meeting to obtain A-HTRUST stapled securityholders' approval on the scheme is expected to be held in October 2019, and the Combination is expected to complete by December 2019.

Please refer to the joint announcement dated 3 July 2019 for further information on the Combination.

¹ Source: Korea Tourism Organisation.

² Source: Singapore Tourism Board.

11 Distributions

(a)	Current financial period	Any distributions declared for the current financial period?	Nil
(b)	Corresponding period of the immediately preceding year	Any distributions declared for the corresponding period of the immediate preceding financial period?	Nil
(c)	Date payable		Not applicable
(d)	Book closure date		Not applicable

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019

A-HTRUST Announcement of Results for the First Quarter Ended 30 June 2019

12 If no distribution has been declared (recommended), a statement to that effect

No distribution has been declared or recommended for the current quarter ended 30 June 2019.

13 If the Group has obtained general mandate from unit holders for IPT, the aggregate value of such transactions are required under Rule 920(a)(ii). If no IPT mandate has been obtained, a statement to that effect

A-HTRUST did not obtain a general mandate from Stapled Securityholders for IPTs.

14 Disclosure pursuant to Rule 705(5) of listing manual

Pursuant to Listing Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Managers confirm to the best of their knowledge, that nothing has come to their attention which may render these financial results to be false or misleading in any material aspect.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 under rule 720(1)).

The Managers confirm that they have procured undertakings from all Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

This release may contain forward-looking statements that involve assumptions, 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 and foreign exchange rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, 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 current view of management on future events.

By Order of the Board
Ascendas Hospitality Fund Management Pte. Ltd.
(Company Registration No. 201133966D)
(As manager of Ascendas Hospitality Real Estate Investment Trust)

Mary Judith de Souza
Company Secretary

By Order of the Board
Ascendas Hospitality Trust Management Pte. Ltd.
(Company Registration No. 201135524E)
(As trustee-manager of Ascendas Hospitality Business Trust)

Mary Judith de Souza
Company Secretary

1 August 2019

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019



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ASU/RHC/61024995/LWH/HYO

Perpetual (Asia) Limited
(in its capacity as Trustee of Ascendas Hospitality Real Estate
Investment Trust) (the "Trustee")
8 Marina Boulevard
#05-02 Marina Bay Financial Centre Tower 1
Singapore 018981

Attention : Ms Sin Li Choo

The Board of Directors
Ascendas Hospitality Trust Management Pte. Ltd.
(in its capacity as Trustee-Manager of Ascendas Hospitality Business Trust)
(the "Trustee-Manager")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

The Board of Directors
Ascendas Hospitality Fund Management Pte. Ltd.
(in its capacity as Manager of Ascendas Hospitality Real Estate
Investment Trust) (the "REIT Manager")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

(the REIT Manager and the Trustee-Manager collectively termed as the "Managers")

Dear Sirs

Ascendas Hospitality Trust
Review of interim financial information for the three-month period ended 30 June 2019

Introduction

We have reviewed the accompanying interim financial information of Ascendas Hospitality Trust ("A-HTRUST" or the "Trust") and its subsidiaries (collectively, the "Stapled Group"), a stapled group comprising of Ascendas Hospitality Real Estate Investment Trust ("A-HREIT") and its subsidiaries (collectively, the "A-HREIT Group") and Ascendas Hospitality Business Trust ("A-HBT") and its subsidiaries (collectively, the "A-HBT Group"), for the three-month period ended 30 June 2019 (the "Interim Financial Information"). The Interim Financial Information comprises the following:

- Consolidated balance sheets of A-HREIT Group, A-HBT Group and the Stapled Group as at 30 June 2019;
- Investment property portfolio statement of A-HREIT Group as at 30 June 2019;

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019



- Consolidated income statements of A-HREIT Group, A-HBT Group and the Stapled Group for the three-month period ended 30 June 2019;
- Consolidated statements of comprehensive income of A-HREIT Group, A-HBT Group and the Stapled Group for the three-month period ended 30 June 2019;
- Statement of total return of A-HREIT Group for the three-month period ended 30 June 2019;
- Consolidated distribution statements of A-HREIT Group, A-HBT Group and the Stapled Group for the three-month period ended 30 June 2019;
- Consolidated statements of changes in stapled securityholders' funds of A-HREIT Group, A-HBT Group and the Stapled Group for the three-month period ended 30 June 2019;
- Consolidated statements of cash flows of A-HREIT Group, A-HBT Group and the Stapled Group for the three-month period ended 30 June 2019; and
- Certain explanatory notes to the above Interim Financial Information.

The Managers are responsible for the preparation and presentation of the Interim Financial Information in accordance with Singapore Financial Reporting Standards (International) 1-34 *Interim Financial Reporting* ("SRFS(I) 1-34"). Our responsibility is to express an opinion on this Interim Financial Information based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with SFRS(I) 1-34.


Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

1 August 2019

APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF THE A-HTRUST GROUP FOR 1Q2019



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LETTER FROM IFA ON THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF A-HTRUST FOR THE THREE MONTHS ENDED 30 JUNE 2019

1 August 2019

Ascendas Hospitality Fund Management Pte. Ltd. (the "**A-HTRUST REIT Manager**")
in its capacity as manager of Ascendas Hospitality Real Estate Investment Trust ("**A-
HTRUST REIT**")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

Ascendas Hospitality Trust Management Pte. Ltd. (the "**A-HTRUST BT Trustee-
Manager**")
in its capacity as manager of Ascendas Hospitality Business Trust ("**A-HTRUST BT**")
1 Fusionopolis Place
#10-10 Galaxis
Singapore 138522

Attention: The Board of Directors

Dear Sir / Madam

THE PROPOSED COMBINATION OF ASCOTT RESIDENCE TRUST AND ASCENDAS HOSPITALITY TRUST ("A-HTRUST") BY WAY OF A TRUST SCHEME OF ARRANGEMENT (THE "PROPOSED COMBINATION")

On 1 August 2019, the Board of Directors of Ascendas Hospitality Trust (the "**Board of
Directors**") and the managers of A-HTRUST (being both the A-HTRUST REIT Manager and
the A-HTRUST BT Trustee-Manager), (together the "**A-HTRUST Managers**") announced
the unaudited consolidated interim financial statements of A-HTRUST and its subsidiaries
(collectively, the "**Group**") for the three-month period ended 30 June 2019 (the
"**Unaudited Interim Financial Statements**") on the Singapore Exchange Securities
Trading Limited (the "**SGX-ST**").

We have examined the Unaudited Interim Financial Statements and have discussed the
same with the A-HTRUST Managers. We have also had discussions with Ernst & Young LLP
in its capacity as the independent auditor of the Group in respect to their review of the
Unaudited Interim Financial Statements and considered their report dated 1 August 2019.

For the purpose of this letter, we have relied on and assumed the accuracy and
completeness of all information provided to, or discussed with, us by the management of
the A-HTRUST Managers. Save as provided in this letter, we do not express any opinion on
the Unaudited Interim Financial Statements. The directors of the A-HTRUST Managers
remain solely responsible for the Unaudited Interim Financial Statements.

Based on the procedures performed and on the basis described above, we are of the
opinion that the Unaudited Interim Financial Statements have been prepared by the
Managers after due and careful enquiry.

**APPENDIX F – UNAUDITED FINANCIAL STATEMENTS OF
THE A-HTRUST GROUP FOR 1Q2019**

Deloitte.

This letter is provided to the Directors solely for the purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers and not for any other purpose.

We do not accept responsibility for any person(s), other than the Directors, in respect of, arising out of, or in connection with this letter.

Yours faithfully

Deloitte & Touche Corporate Finance Pte Ltd



Ng Jiak See
Executive Director

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APPENDIX G – A-HTRUST AUDITORS OPINION



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INDEPENDENT AUDITOR'S REPORT

To **Perpetual (Asia) Limited (as Trustee of Ascendas Hospitality Real Estate Investment Trust)**, and the **Boards of Directors of Ascendas Hospitality Fund Management Pte. Ltd. (as Manager of Ascendas Hospitality Real Estate Investment Trust) and Ascendas Hospitality Trust Management Pte. Ltd. (as Trustee-Manager of Ascendas Hospitality Business Trust)**

Opinion

We have audited the statement of serviced residence properties of Ascott Residence Trust (Ascott Reit) and its subsidiaries (collectively, the Ascott Reit Group) as at 31 December 2018, and related notes (the "Statement") on pages G-4 to G-9.

In our opinion, the Statement is prepared, in all material respects, in accordance with the basis of accounting described in Note 2 to the Statement.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Ascott Reit Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 of the Statement, which describes the basis of accounting. Our work was undertaken so that we might report to you on those matters as stated in Note 1 to the Statement and for no other purpose. Our report has been prepared for inclusion in the scheme document dated 26 September 2019 of Ascendas Hospitality Trust to its Stapled Securityholders in relation to the proposed combination of Ascott Residence Trust and Ascendas Hospitality Trust by way of a trust scheme of arrangement, and is not intended for any other purpose. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Statement. These matters were addressed in the context of our audit of the Statement, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Statement section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Statement. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the Statement.

APPENDIX G – A-HTRUST AUDITORS OPINION



Key Audit Matters (Continued)

Carrying value of serviced residence properties

The carrying value of serviced residence properties amounted to \$4,679.3 million as at 31 December 2018. These serviced residence properties are stated at fair values based on independent external valuations. The serviced residence properties form part of the aggregate valuation of portfolio of the Ascott Reit Group on page 38.

The valuation of the serviced residence properties requires significant judgement in the determination of the appropriate valuation methodology and in deciding on the assumptions and estimates that are to be applied in the valuation. The valuation is complex and highly dependent on a range of estimates made by external valuers and agreed upon by the manager of Ascott Reit (the "Manager"). As disclosed in Note 4 to the Statement, the valuation of the serviced residence properties is highly sensitive to key assumptions such as discount rates and terminal capitalisation rates, and a change in these key assumptions may have significant impact on the valuation.

We obtained an understanding of the Ascott Reit Group's process relating to the selection of the external valuers, the determination of the scope of work of the external valuers, and the review of the valuation reports issued by the external valuers. We considered the objectivity, independence and capability of the external valuers and read their terms of engagement to ascertain whether there are matters that might have affected the scope of their work and their objectivity.

We assessed the appropriateness of the valuation models used by the Manager by considering the valuation methodologies adopted for similar property types. We tested the key inputs in the projected cash flows used in the valuation to supporting key information such as occupancy rates and average daily room rates.

We also tested the reasonableness of the discount rates and terminal capitalisation rates used in the valuation by comparing them against available industry data, taking into consideration comparability and market factors. For selected properties, we also involved our internal valuation specialists to assist in evaluating the appropriateness of the discount rates and terminal capitalisation rates used in their valuations. Where necessary, our internal valuation specialists also tested the reasonableness of valuations for these properties by comparing them against recent transacted prices of comparable properties on a value-per-room basis. In determining the carrying value of the serviced residence properties, we have also considered the independent desktop valuations obtained for these properties by Ascott Reit as of 30 June 2019 as set out on page 38, which is overall higher when compared to the carrying value as at 31 December 2018, in assessing the robustness of the valuations as at 31 December 2018.

Based on the work performed, we consider the methodology and key assumptions used by the Manager to be appropriate.

We assessed the adequacy of the disclosures in Note 4 of the Statement relating to the assumptions used in the valuation process, taking into consideration the estimation uncertainty and sensitivity of the valuations.

Responsibilities of the Manager for the Statement

The Manager is responsible for the preparation of the Statement in accordance with the basis of accounting stated in Note 2 of the Statement; and for such internal control as the Manager determines is necessary to enable the preparation of the carrying value that is free from material misstatement, whether due to fraud or error.

The Manager is responsible for overseeing the Ascott Reit Group's financial reporting process.

APPENDIX G – A-HTRUST AUDITORS OPINION



Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ascott Reit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by the Manager.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Lee Wei Hock.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
26 September 2019

APPENDIX G – A-HTRUST AUDITORS OPINION

Statement of Serviced Residence Properties of Ascott Residence Trust and its Subsidiaries as at 31 December 2018

	Note	As at 31 December 2018 \$'000
Serviced residence properties	3	<u>4,679,295</u>

APPENDIX G – A-HTRUST AUDITORS OPINION

Notes to the Statement of Serviced Residence Properties of Ascott Residence Trust and its Subsidiaries as at 31 December 2018

1. Purpose of the Statement

The Statement is prepared for the purpose of giving additional comfort to the Stapled Securityholders of Ascendas Hospitality Trust that the carrying value of the serviced residence properties of Ascott Residence Trust (the “Ascott Reit”) and its subsidiaries (collectively, the “Ascott Reit Group”) as at 31 December 2018 was presented, in all material respects, in accordance with the Basis of Accounting as set out in Note 2 and that, accordingly, the serviced residence properties held by the Ascott Reit Group were stated at fair values.

The Statement is prepared by Ascott Residence Trust Management Limited, as manager of Ascott Residence Trust (the “Manager”).

2. Basis of Accounting

2.1 Statement of compliance

The Statement is prepared in accordance with the significant accounting policies set out in Note 2.

2.2 Functional and presentation currency

The Statement is presented in Singapore Dollars, which is the functional currency of Ascott Reit. All financial information presented are rounded to the nearest thousand (\$'000), except where otherwise indicated.

2.3 Use of estimates and judgements

The preparation of the Statement requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported carrying amount of the serviced residence properties. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about the critical judgements in applying accounting policies that have the most significant effect on the amount reported in the Statement are described in the following notes:

- Notes 2.4 and 3 – classification of serviced residence properties

APPENDIX G – A-HTRUST AUDITORS OPINION

Notes to the Statement of Serviced Residence Properties of Ascott Residence Trust and its Subsidiaries as at 31 December 2018

2. Basis of Accounting (Continued)

2.3 Use of estimates and judgements (continued)

Measurement of fair values

A number of the Ascott Reit Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Ascott Reit Group has an established control framework with respect to the measurement of fair values. Significant fair value measurements, including Level 3 fair values, will be reported directly to the Chief Executive Office of the Manager.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as valuation of investment property by external valuers, is used to measure fair values, then management assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of the adopted financial reporting framework, including the level in the fair value hierarchy in which such valuations should be classified.

The valuation of significant assets and their financial impact are discussed by the Audit Committee and Board of Directors of the Manager.

When measuring the fair value of an asset or a liability, the Ascott Reit Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Ascott Reit Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

2.4 Significant accounting policies

Serviced residence properties

Serviced residence properties comprise serviced residences, rental housing properties and other hospitality assets which are held either to earn rental or for capital appreciation or both. Certain of the Ascott Reit Group's serviced residence properties acquired through interest in subsidiaries, are accounted for as acquisition of assets.

APPENDIX G – A-HTRUST AUDITORS OPINION

Notes to the Statement of Serviced Residence Properties of Ascott Residence Trust and its Subsidiaries as at 31 December 2018

2. Basis of Accounting (Continued)

2.4 Significant accounting policies (continued)

Serviced residence properties (continued)

Serviced residence properties accounted for as investment properties are initially recognised at cost, including transaction costs, and subsequently at fair values with any change therein recognised in the total return. Cost includes expenditure that is directly attributable to the acquisition of the investment property. Fair value is determined in accordance with the trust deed constituting Ascott Reit dated 19 January 2006 (as amended) between Ascott Residence Trust Management Limited and DBS Trustee Limited, which requires the serviced residence properties to be valued by independent registered valuers in the following events:

- at least once in each period of 12 months following the acquisition of each parcel of real estate property; and
- for acquisition and disposal of real estate property as required by the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore.

3. Serviced Residence Properties

	As at 31 December 2018 \$'000
Serviced residence properties	<u>4,679,295</u>

Certain serviced residence properties of the Ascott Reit Group with an aggregate carrying value of \$1,954,579,000 are pledged as securities to banks for banking facilities granted to certain subsidiaries.

The Ascott Reit Group assessed the classification of its serviced residence properties as investment properties or plant and equipment based on its business model, taking into consideration the quantum of other income derived from ancillary services rendered relative to total revenue and employment of external property managers to operate the serviced residence properties, amongst other factors.

The Ascott Reit Group held interest in four serviced residence properties in France under finance lease arrangements. Under each of these finance lease arrangements, the Ascott Reit Group may acquire legal title to the relevant property by exercising its option to purchase the property (a) prior to the expiry of the finance lease by, among others, providing six months' notice to the finance company and making prepayment for the outstanding rentals due to the finance company, or (b) at the expiry of the finance lease by making a nominal payment of \$1 to the finance company. Upon the exercise of the option by serving the six months' notice, the legal title will, in accordance with the finance lease arrangements, be delivered to the Ascott Reit Group. At 31 December 2018, the carrying value of these serviced residence properties was \$70,415,000.

APPENDIX G – A-HTRUST AUDITORS OPINION

Notes to the Statement of Serviced Residence Properties of Ascott Residence Trust and its Subsidiaries as at 31 December 2018

4. Fair Value of Serviced Residence Properties

(a) Determining fair value

The Ascott Reit Group's accounting policies and disclosures require the determination of fair value for serviced residence properties. Fair values have been determined for measurement and/or disclosure purposes based on the following methods and processes.

Serviced residence properties

The Ascott Reit Group's serviced residence property portfolio is valued by independent valuers every six months. Independent valuations are also carried out on occurrence of acquisitions. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. The valuers have considered the discounted cash flow method in arriving at the open market value as at the reporting date. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of serviced residence properties include market-corroborated discount rate and terminal capitalisation rate.

The valuation of the Ascott Reit Group's serviced residence property is discussed with the Audit Committee and Board of Directors of the Manager in accordance with the Ascott Reit Group's reporting policies.

The carrying amount of serviced residence properties, which are measured at fair values, is classified entirely under Level 3 of the fair value hierarchy.

APPENDIX G – A-HTRUST AUDITORS OPINION

Notes to the Statement of Serviced Residence Properties of Ascott Residence Trust and its Subsidiaries as at 31 December 2018

4. Fair Value of Serviced Residence Properties (Continued)

(b) Level 3 fair value measurements

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Description	Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Serviced residence properties	Discounted cash flow method: The valuation considers the present value of net cash flows to be generated from the property, taking into account expected rental growth and occupancy rate. The expected net cash flows are discounted using risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant, credit quality and lease terms.	<p><u>Discount rate</u></p> <p>South East Asia and Australia: 5.00% to 11.60%</p> <p>North Asia: 3.80% to 7.10%</p> <p>Europe and United States of America: 5.00% to 8.75%</p> <p><u>Terminal capitalisation rate</u></p> <p>South East Asia and Australia: 3.90% to 8.80%</p> <p>North Asia: 4.30% to 6.10%</p> <p>Europe and United States of America: 4.00% to 8.50%</p>	<p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> • the discount rate was lower (higher); or • the terminal capitalisation rate was lower (higher).

Sensitivity analysis for key unobservable inputs

The significant unobservable inputs used in the fair value measurement of the Ascott Reit Group's serviced residence properties are discount rate and terminal capitalisation rate. Significant decreases in the discount rate and terminal capitalisation rate in isolation would result in a significantly higher fair value measurement. Conversely, a significant increase would result in a significantly lower fair value measurement.

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APPENDIX H – NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE OF EXTRAORDINARY GENERAL MEETING



ASCENDAS HOSPITALITY TRUST

A stapled group comprising:

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.**

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.**

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an **EXTRAORDINARY GENERAL MEETING** of the holders of A-HTRUST Stapled Securities (the “**A-HTRUST Stapled Securityholders**”) of Ascendas Hospitality Trust (“**A-HTRUST**”) will be held at Raffles City Convention Centre, Canning Ballroom, Level 4, 2 Stamford Road, Singapore 178882 on 21 October 2019 at 2.30 p.m., for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution:

A-HTRUST TRUST DEEDS AMENDMENTS RESOLUTION (EXTRAORDINARY RESOLUTION)

THE A-HTRUST TRUST DEEDS AMENDMENTS

That:

- (a) approval be and is hereby given to amend (i) the second amending and restating trust deed dated 23 July 2019 constituting Ascendas Hospitality Real Estate Investment Trust (“**A-HTRUST REIT**”) (amending and restating the trust deed dated 13 March 2012 constituting A-HTRUST REIT) (as further amended and supplemented) (“**A-HTRUST REIT Trust Deed**”), (ii) the second amending and restating trust deed dated 23 July 2019 constituting Ascendas Hospitality Business Trust (“**A-HTRUST BT**”) (amending and restating the trust deed dated 13 March 2012 constituting A-HTRUST BT) (as further amended and supplemented) (“**A-HTRUST BT Trust Deed**”), and (iii) the first amending and restating deed dated 23 July 2019 stapling the A-HTRUST REIT units and A-HTRUST BT units to form the stapled securities of A-HTRUST (amending and restating the stapling deed dated 13 March 2012) (“**Stapling Deed**” and together with the A-HTRUST REIT Trust Deed and the A-HTRUST BT Trust Deed, the “**A-HTRUST Trust Deeds**”), with the proposed amendments to the A-HTRUST Trust Deeds (the “**A-HTRUST Trust Deeds Amendments**”) being described and set out in Appendix D to the Scheme Document dated 26 September 2019;

APPENDIX H – NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) Ascendas Hospitality Fund Management Pte. Ltd. (as manager of A-HTRUST REIT) and Ascendas Hospitality Trust Management Pte. Ltd. (as trustee-manager of A-HTRUST BT) (collectively, the “**A-HTRUST Managers**”), any director of the A-HTRUST Managers (“**Director**”), and Perpetual (Asia) Limited, in its capacity as trustee of A-HTRUST REIT (“**A-HTRUST REIT Trustee**”) be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the A-HTRUST Managers, such Director or as the case may be, the A-HTRUST REIT Trustee, may consider expedient or necessary or in the interests of A-HTRUST to give effect to the A-HTRUST Trust Deeds Amendments.

By Order of the Board of Directors

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

26 September 2019

APPENDIX H – NOTICE OF EXTRAORDINARY GENERAL MEETING

26 September 2019

Important Notice:

- (1) An A-HTRUST Stapled Securityholder entitled to attend, speak and vote at the Extraordinary General Meeting is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. A proxy need not be an A-HTRUST Stapled Securityholder.
- (2) Where an A-HTRUST Stapled Securityholder appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her A-HTRUST Stapled Securityholding (expressed as a percentage of the whole) to be represented by each proxy.
- (3) An A-HTRUST Stapled Securityholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote in his/her stead. Where such A-HTRUST Stapled Securityholder appoints more than two (2) proxies, the number and class of A-HTRUST Stapled Securities in relation to which each proxy has been appointed shall be specified in the proxy form.

“relevant intermediary” means:

- (a) a banking corporation licensed under the Banking Act (Chapter 19 of Singapore) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds A-HTRUST Stapled Securities in that capacity; or
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289 of Singapore) who holds A-HTRUST Stapled Securities in that capacity.
- (4) The proxy form must be lodged at the Stapled Security Registrar’s office at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time set for holding the Extraordinary General Meeting.

APPENDIX H – NOTICE OF EXTRAORDINARY GENERAL MEETING

Personal Data Privacy:

By either (a) attending the Extraordinary General Meeting or (b) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, an A-HTRUST Stapled Securityholder (i) consents to the collection, use and disclosure of the A-HTRUST Stapled Securityholder's personal data by the A-HTRUST Managers and the A-HTRUST REIT Trustee (or their agents) for the purpose of the processing and administration by the A-HTRUST Managers and the A-HTRUST REIT Trustee (or their agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the A-HTRUST Managers and the A-HTRUST REIT Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the A-HTRUST Stapled Securityholder discloses the personal data of the A-HTRUST Stapled Securityholder's proxy(ies) and/or representative(s) to the A-HTRUST Managers and the A-HTRUST REIT Trustee (or their agents), the A-HTRUST Stapled Securityholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the A-HTRUST Managers and the A-HTRUST REIT Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the A-HTRUST Stapled Securityholder will indemnify the A-HTRUST Managers and the A-HTRUST REIT Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the A-HTRUST Stapled Securityholder's breach of warranty.

APPENDIX I – MANNER OF CONVENING SCHEME MEETING

The manner of convening the Scheme Meeting as ordered by the Court under the Scheme Meeting Court Order is set out below:

1. The A-HTRUST Managers and the A-HTRUST REIT Trustee shall be at liberty to convene the Scheme Meeting at a date, time and venue in Singapore to be determined by the A-HTRUST Managers and the A-HTRUST REIT Trustee.
2. The notice convening the Scheme Meeting (“**Notice**”), together with a copy of the Scheme Document, shall be provided to the A-HTRUST Stapled Securityholders at least 21 clear days (not inclusive of the day on which the Notice is served and of the day of the Scheme Meeting) before the date of the Scheme Meeting in the following manner:
 - (a) in the case of A-HTRUST Stapled Securityholders whose A-HTRUST Stapled Securities are not deposited with CDP, by ordinary post to or left at the A-HTRUST Stapled Securityholder’s address as appearing in the Register of A-HTRUST Stapled Securityholders or in the case of joint A-HTRUST Stapled Securityholders, to the joint A-HTRUST Stapled Securityholder whose name stands first in the Register of A-HTRUST Stapled Securityholders; and
 - (b) in the case of A-HTRUST Stapled Securityholders whose A-HTRUST Stapled Securities are deposited with CDP, by ordinary post to or left at the A-HTRUST Stapled Securityholder’s address as appearing in the Depository Register, or in the case of joint depositors, to the joint depositor whose name stands first as appearing in the Depository Register,save that, where there are potential restrictions on sending the Notice and/or the Scheme Document to any overseas jurisdiction, the A-HTRUST Managers and the A-HTRUST REIT Trustee need not send the Scheme Document to the A-HTRUST Stapled Securityholders in such overseas jurisdiction.
3. The Notice be advertised in the “The Straits Times”, stating the place at which and the manner in which the Scheme Document may be obtained, at least 21 clear days before the date of the Scheme Meeting.
4. Further and/or in addition to paragraphs 2 and 3 above, an electronic copy of the Scheme Document shall be made available at the website of the SGX-ST at least 21 clear days before the date of the Scheme Meeting. An A-HTRUST Stapled Securityholder in an overseas jurisdiction may also write in to the Stapled Security Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at its registered office at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, to request for the Scheme Document to be sent to an address in Singapore by ordinary post up to three (3) Market Days prior to the date of the Scheme Meeting at such Stapled Securityholder’s own risk.
5. Any accidental omission to give any A-HTRUST Stapled Securityholder notice of the Scheme Meeting or the non-receipt of such notice by any A-HTRUST Stapled Securityholder shall not invalidate the proceedings at the Scheme Meeting, unless ordered by the Court.

APPENDIX I – MANNER OF CONVENING SCHEME MEETING

6. Subject to any restrictions under law or set by any relevant regulatory authority, each A-HTRUST Stapled Securityholder is entitled to attend, speak and vote at the Scheme Meeting either in person or by proxy and, unless the Court orders otherwise:
 - (i) shall be entitled to appoint only one (1) proxy to attend, speak and vote at the Scheme Meeting; and
 - (ii) may only cast all the votes it uses at the Scheme Meeting in one (1) way, namely, either for or against each of the resolution(s) proposed at the Scheme Meeting.
7. Proxy forms must be completed, signed and deposited with the Stapled Security Registrar at its registered office at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time fixed for the Scheme Meeting. If an A-HTRUST Stapled Securityholder fails to lodge a proxy form as stipulated, the proxy of such A-HTRUST Stapled Securityholder shall not be entitled to vote at the Scheme Meeting.
8. Save where expressly provided, the provisions of the A-HTRUST Trust Deeds in relation to meetings of A-HTRUST Stapled Securityholders may be applied in respect of the Scheme Meeting as appropriate in the discretion of the Chairman of the Scheme Meeting.
9. The A-HTRUST Managers and the A-HTRUST REIT Trustee propose that Mr. Chia Kim Huat, a director of the board of directors of the A-HTRUST Managers, or failing him, any other director of the A-HTRUST REIT Manager, be appointed to act as Chairman of the Scheme Meeting and be directed to report the voting results of the Scheme Meeting to the Court as soon as possible after the Scheme Meeting.

APPENDIX J – THE A-HTRUST SCHEME

TRUST SCHEME OF ARRANGEMENT

Under Order 80 of the Rules of Court (Cap. 322, R5, 2014 Rev Ed)

In the matter of

ASCENDAS HOSPITALITY TRUST

comprising Ascendas Hospitality Real Estate Investment Trust
(a real estate investment trust constituted on 13 March 2012 under
the laws of the Republic of Singapore)
and Ascendas Hospitality Business Trust

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

Between

1. **ASCENDAS HOSPITALITY FUND MANAGEMENT PTE. LTD. (in its capacity as manager of Ascendas Hospitality Real Estate Investment Trust)** (Company Registration Number: 201133966D)
2. **ASCENDAS HOSPITALITY TRUST MANAGEMENT PTE. LTD. (in its capacity as trustee-manager of Ascendas Hospitality Business Trust)** (Company Registration Number: 201135524E)
3. **PERPETUAL (ASIA) LIMITED (in its capacity as trustee of Ascendas Hospitality Real Estate Investment Trust)** (Company Registration Number: 200518022M)

And

THE A-HTRUST STAPLED SECURITYHOLDERS

(as defined herein)

And

ASCOTT RESIDENCE TRUST MANAGEMENT LIMITED
(in its capacity as manager of Ascott Residence Trust)

And

DBS TRUSTEE LIMITED
(in its capacity as trustee of Ascott Residence Trust)

APPENDIX J – THE A-HTRUST SCHEME

CONTENTS

1. Definitions
2. Preamble
3. Scheme Conditions and Effectiveness of this A-HTRUST Scheme
4. Terms of this A-HTRUST Scheme
5. Scheme Consideration
6. Effective Date
7. Proper Law and Jurisdiction
8. Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore)
9. Capacity and Liability of the A-HTRUST REIT Trustee

APPENDIX J – THE A-HTRUST SCHEME

1. DEFINITIONS

1.1 In this A-HTRUST Scheme (as defined below), except where the context or subject matter otherwise indicates or requires, the following words and phrases shall have the meanings set out opposite them:

<u>“A-HTRUST”</u>	:	Ascendas Hospitality Trust, which comprises A-HTRUST REIT and A-HTRUST BT
<u>“A-HTRUST BT”</u>	:	Ascendas Hospitality Business Trust
<u>“A-HTRUST BT Trust Deed”</u>	:	Deed of Trust dated 13 March 2012 constituting A-HTRUST BT entered into by the A-HTRUST BT Trustee-Manager, as amended and restated by the First Amending and Restating Deed dated 9 July 2012 and the Second Amending and Restating Deed dated 23 July 2019, as may be amended, supplemented or varied from time to time
<u>“A-HTRUST BT Trustee-Manager”</u>	:	Ascendas Hospitality Trust Management Pte. Ltd., as trustee-manager of the A-HTRUST BT
<u>“A-HTRUST BT Unit”</u>	:	An issued and outstanding unit in A-HTRUST BT
<u>“A-HTRUST Group”</u>	:	A-HTRUST REIT and A-HTRUST BT and their respective subsidiaries and sub-trusts, each entity in the A-HTRUST Group shall be referred to as an <u>“A-HTRUST Group Entity”</u> and <u>“A-HTRUST REIT Group”</u> , <u>“A-HTRUST REIT Group Entity”</u> , <u>“A-HTRUST BT Group”</u> and <u>“A-HTRUST BT Group Entity”</u> shall be construed accordingly
<u>“A-HTRUST Managers”</u>	:	The A-HTRUST REIT Manager and the A-HTRUST BT Trustee-Manager
<u>“A-HTRUST Permitted Distributions”</u>	:	(a) The distributions which have been declared, or which any A-HTRUST Manager is under a contractual obligation to make or pay but has not made or paid (in each case, where such declaration or obligation has been disclosed to the Ascott Reit Trustee and the Ascott Reit Manager), prior to the Joint Announcement Date; or

APPENDIX J – THE A-HTRUST SCHEME

- (b) the distributions declared, paid or made or to be declared, paid or made in the ordinary course of business and to the extent consistent with past practice by any A-HTRUST Manager to the A-HTRUST Stapled Securityholders in respect of the period from 1 April 2019 up to (and including) the A-HTRUST Scheme Implementation Date (including any clean-up distribution to the A-HTRUST Stapled Securityholders in respect of the period from the day following the latest completed financial half year of A-HTRUST preceding the Effective Date, up to (and including) the A-HTRUST Scheme Implementation Date),

provided that, for this purpose, the “**A-HTRUST Permitted Distributions**” shall include any and all distributions declared, paid or made or to be declared, paid or made in respect of any net gains (after taking into consideration applicable taxes and transaction fees, costs and expenses) arising from any divestments by any A-HTRUST Group Entity effected or completed on or after 1 April 2019, up to (and including) the A-HTRUST Scheme Implementation Date

<u>“A-HTRUST REIT”</u>	:	Ascendas Hospitality Real Estate Investment Trust
<u>“A-HTRUST REIT Manager”</u>	:	Ascendas Hospitality Fund Management Pte. Ltd., as manager of A-HTRUST REIT
<u>“A-HTRUST REIT Trust Deed”</u>	:	Deed of Trust dated 13 March 2012 constituting A-HTRUST REIT, as amended by a supplemental deed of appointment and retirement of trustee dated 9 July 2012, as amended and restated by the First Amending and Restating Deed dated 9 July 2012 and Second Amending and Restating Deed dated 23 July 2019, as supplemented by a First Supplemental Deed dated 27 June 2016, as may be amended, supplemented or varied from time to time
<u>“A-HTRUST REIT Trustee”</u>	:	Perpetual (Asia) Limited, in its capacity as trustee of A-HTRUST REIT
<u>“A-HTRUST REIT Unit”</u>	:	An issued and outstanding unit in A-HTRUST REIT

APPENDIX J – THE A-HTRUST SCHEME

<u>“A-HTRUST Scheme”</u>	:	Means the trust scheme of arrangement by which: (a) all of the A-HTRUST REIT Units, after they have been Unstapled from the A-HTRUST BT Units, will be transferred to the Ascott Reit Trustee; and (b) all of the A-HTRUST BT Units, after they have been Unstapled from the A-HTRUST REIT Units, will be transferred to the Ascott BT Trustee-Manager, substantially on the terms and conditions set out in the Implementation Agreement and includes any extended, increased or revised proposal by the Ascott Reit Trustee and the Ascott Reit Manager for the acquisition of the A-HTRUST Stapled Securities
<u>“A-HTRUST Scheme Court Order”</u>	:	The order of the Court sanctioning this A-HTRUST Scheme under Order 80 of the Rules of Court
<u>“A-HTRUST Scheme Entitlement Date”</u>	:	The date and time to be announced (before the Effective Date) by the A-HTRUST Managers on which the transfer books and the Register of A-HTRUST Stapled Securityholders will be closed in order to determine the entitlements of the A-HTRUST Stapled Securityholders in respect of this A-HTRUST Scheme
<u>“A-HTRUST Scheme Implementation Date”</u>	:	The date falling not later than seven (7) Business Days after the Effective Date
<u>“A-HTRUST Scheme Unit”</u>	:	An issued and outstanding A-HTRUST Stapled Security as at the A-HTRUST Scheme Entitlement Date. For the avoidance of doubt, on and with effect from the time at which the A-HTRUST REIT Units and the A-HTRUST BT Units have been Unstapled from the other, references to the <u>“A-HTRUST Scheme Unit”</u> shall mean the A-HTRUST Stapled Securities on an Unstapled basis
<u>“A-HTRUST Scheme Unitholder”</u>	:	Each person who is registered on the Register of A-HTRUST Stapled Securityholders as at the A-HTRUST Scheme Entitlement Date. For the avoidance of doubt, on and with effect from the time at which the A-HTRUST REIT Units and the A-HTRUST BT Units have been Unstapled from the other, references to the <u>“A-HTRUST Scheme Unitholder”</u> shall mean A-HTRUST Stapled Securityholders of such Unstapled A-HTRUST Stapled Securities

APPENDIX J – THE A-HTRUST SCHEME

<u>“A-HTRUST Stapled Securities”</u>	:	(a) Prior to the time at which the A-HTRUST Unstapling is implemented on the A-HTRUST Scheme Implementation Date, the stapled A-HTRUST REIT Units and A-HTRUST BT Units in A-HTRUST; and (b) on and with effect from the time at which the A-HTRUST Unstapling is implemented on the A-HTRUST Scheme Implementation Date, the A-HTRUST REIT Units and the A-HTRUST BT Units, each as Unstapled from the other; and <u>“A-HTRUST Stapled Security”</u> shall be construed accordingly
<u>“A-HTRUST Stapled Securityholders”</u>	:	The holders of the A-HTRUST Stapled Securities from time to time, and each an <u>“A-HTRUST Stapled Securityholder”</u>
<u>“A-HTRUST Stapling Deed”</u>	:	The Stapling Deed dated 13 March 2012 in relation to A-HTRUST, as amended and restated by the First Amending and Restating Deed dated 23 July 2019, as may be amended, supplemented or varied from time to time
<u>“A-HTRUST Trust Deeds”</u>	:	The A-HTRUST REIT Trust Deed, the A-HTRUST BT Trust Deed and the A-HTRUST Stapling Deed
<u>“A-HTRUST Unstapling”</u>	:	The unstapling of each A-HTRUST Stapled Security into one (1) A-HTRUST REIT Unit and one (1) A-HTRUST BT Unit in accordance with the A-HTRUST Stapling Deed
<u>“Ascott BT”</u>	:	Ascott Business Trust
<u>“Ascott BT Trust Deed”</u>	:	The trust deed constituting Ascott BT dated 9 September 2019 (as amended)
<u>“Ascott BT Trustee-Manager”</u>	:	Ascott Business Trust Management Pte. Ltd., in its capacity as the trustee-manager of the Ascott BT
<u>“Ascott BT Unit”</u>	:	An issued and outstanding unit in the Ascott BT
<u>“Ascott Reit”</u>	:	Ascott Residence Trust, which, following the completion of the Combination and this A-HTRUST Scheme, will be renamed “Ascott Real Estate Investment Trust”

APPENDIX J – THE A-HTRUST SCHEME

- “Ascott Reit Acquisition”** : The acquisition by the Ascott Reit Trustee of all the A-HTRUST Reit Units, and the acquisition by the Ascott BT Trustee-Manager of all the A-HTRUST BT Units, for the Scheme Consideration, in accordance with the terms of the Implementation Agreement
- “Ascott Reit Group”** : Ascott Reit and its subsidiaries, and each member of the Ascott Reit Group shall be referred to as an **“Ascott Reit Group Entity”**
- “Ascott Reit Manager”** : Ascott Residence Trust Management Limited, as manager of Ascott Reit
- “Ascott Reit Permitted Distributions”** :
- (a) The distributions which have been declared, or which the Ascott Reit Manager is under a contractual obligation to make or pay but has not made or paid (in each case, where such declaration or obligation has been disclosed to the A-HTRUST REIT Trustee and the A-HTRUST Managers), prior to the Joint Announcement Date; or
 - (b) the distributions declared, paid or made or to be declared, paid or made in the ordinary course of business and to the extent consistent with past practice by the Ascott Reit Manager to the Ascott Reit Unitholders in respect of the period from 1 January 2019 up to (and including) the A-HTRUST Scheme Implementation Date (including any clean-up distribution to the Ascott Reit Unitholders in respect of the period from the day following the latest completed financial half year of Ascott Reit preceding the Effective Date, up to (and including) the A-HTRUST Scheme Implementation Date),

provided that for this purpose, the **“Ascott Reit Permitted Distributions”** shall include any and all distributions declared, paid or made or to be declared, paid or made in respect of any net gains (after taking into consideration applicable taxes and transaction fees, costs and expenses) arising from any divestments by any Ascott Reit Group Entity effected or completed on or after 1 January 2019, up to (and including) the A-HTRUST Scheme Implementation Date

APPENDIX J – THE A-HTRUST SCHEME

<u>“Ascott Reit Scheme”</u>	:	The trust scheme of arrangement by which: (a) all of the Ascott BT Units will be distributed <i>in specie</i> to the Ascott Reit Scheme Unitholders; and (b) each Ascott BT Unit will be stapled to one (1) Ascott Reit Scheme Unit, so as to form one (1) Ascott Reit-BT Stapled Unit in accordance with the Ascott Reit-BT Stapling Deed
<u>“Ascott Reit Scheme Entitlement Date”</u>	:	The date and time to be announced (before the Effective Date) by the A-HTRUST Managers on which the transfer books and the Register of A-HTRUST Stapled Securityholders will be closed in order to determine the entitlements of the A-HTRUST Stapled Securityholders in respect of the A-HTRUST Scheme
<u>“Ascott Reit Scheme Unit”</u>	:	An issued and outstanding Ascott Reit Unit as at the Ascott Reit Scheme Entitlement Date
<u>“Ascott Reit Scheme Unitholder”</u>	:	Each person who is registered on the register of Ascott Reit Unitholders as at the Ascott Reit Scheme Entitlement Date
<u>“Ascott Reit Trust Deed”</u>	:	The Deed of Trust constituting Ascott Reit entered into between the Ascott Reit Trustee and the Ascott Reit Manager dated 19 January 2006, as supplemented by a First Supplemental Deed dated 22 March 2007, a Second Supplemental Deed dated 9 September 2009, a Third Supplemental Deed dated 16 September 2010, a Fourth Supplemental Deed dated 16 October 2014, a Fifth Supplemental Deed dated 14 April 2016, a Sixth Supplemental Deed dated 4 May 2018, a Seventh Supplemental Deed dated 28 January 2019 and an Eighth Supplemental Deed dated 18 June 2019, as may be amended, supplemented or varied from time to time
<u>“Ascott Reit Trustee”</u>	:	DBS Trustee Limited, in its capacity as trustee of Ascott Reit
<u>“Ascott Reit Unit”</u>	:	An issued and outstanding unit in Ascott Reit
<u>“Ascott Reit Unitholders”</u>	:	The holders of Ascott Reit Units from time to time
<u>“Ascott Reit-BT Stapled Unit”</u>	:	The stapled Ascott Reit Units and Ascott BT Units

APPENDIX J – THE A-HTRUST SCHEME

<u>“Ascott Reit-BT Stapling Deed”</u>	:	The stapling deed dated 9 September 2019 (as amended)
<u>“Business Day”</u>	:	A day (other than Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore for the transaction of normal banking business
<u>“Cash Consideration”</u>	:	S\$0.0543 in cash with respect to each A-HTRUST Scheme Unit
<u>“CDP”</u>	:	The Central Depository (Pte) Limited
<u>“Code”</u>	:	The Singapore Code on Take-overs and Mergers
<u>“Combination”</u>	:	The combination of Ascott Reit and A-HTRUST pursuant to the Implementation Agreement, the Ascott Reit Scheme, the Ascott Reit Acquisition and this A-HTRUST Scheme
<u>“Combination Conditions”</u>	:	The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) by the Long-Stop Date for this A-HTRUST Scheme to be implemented and which are reproduced in Paragraph 2.5(a) of the Letter to A-HTRUST Stapled Securityholders
<u>“Consideration Units”</u>	:	0.7942 Ascott Reit-BT Stapled Units with respect to each A-HTRUST Scheme Unit
<u>“Court”</u>	:	The High Court of the Republic of Singapore, or where applicable on appeal, the Court of Appeal of the Republic of Singapore
<u>“DPU”</u>	:	Distribution per unit
<u>“Effective Date”</u>	:	The date on which the A-HTRUST Scheme becomes effective in accordance with its terms
<u>“Encumbrances”</u>	:	Means, with respect to any asset or real property: (a) any charge, claim, hypothecation, lien, mortgage, power of sale, retention of title, or security interest of any kind over and in respect of such asset or real property; and

APPENDIX J – THE A-HTRUST SCHEME

	(b) any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which any such asset or real property is subject or any right or option for the sale or purchase of any such asset or real property,
	and any other third party rights and interests of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing
<u>“Entitled Stapled Securityholders”</u>	: A-HTRUST Stapled Securityholders as at 5.00 p.m. on the A-HTRUST Scheme Entitlement Date
<u>“Implementation Agreement”</u>	: The implementation agreement dated 3 July 2019 entered into between the Ascott Reit Trustee, the Ascott Reit Manager, the A-HTRUST REIT Trustee, the A-HTRUST REIT Manager and the A-HTRUST BT Trustee-Manager, as amended and restated by a letter dated 9 September 2019, setting out the terms and conditions on which this A-HTRUST Scheme will be implemented
<u>“Long-Stop Date”</u>	: 31 December 2019 (or such other date as the Parties may agree in writing)
<u>“MAS”</u>	: Monetary Authority of Singapore
<u>“NAV”</u>	: Net asset value
<u>“Offeror’s Letter”</u>	: The letter from the Ascott Reit Manager to A-HTRUST Stapled Securityholders as set out in Appendix B to the Scheme Document
<u>“Parties”</u>	: The parties to the Implementation Agreement, being the Ascott Reit Trustee, the Ascott Reit Manager, the A-HTRUST REIT Trustee, the A-HTRUST REIT Manager and the A-HTRUST BT Trustee-Manager, and <u>“Party”</u> means any one (1) of them
<u>“Relevant Date”</u>	: The date falling on the Business Day immediately preceding the Effective Date
<u>“Register of A-HTRUST Stapled Securityholders”</u>	: The register of A-HTRUST Stapled Securityholders
<u>“Rules of Court”</u>	: Rules of Court (Chapter 322, R 5 of Singapore)

APPENDIX J – THE A-HTRUST SCHEME

<u>“Stapled”</u>	:	The linking together of an A-HTRUST REIT Unit and an A-HTRUST BT Unit so that any one may not be transferred or otherwise dealt with without the other
<u>“Scheme Consideration”</u>	:	With respect to each A-HTRUST Scheme Unit: (a) the Cash Consideration; and (b) the Consideration Units
<u>“Scheme Document”</u>	:	The document dated 26 September 2019 and any other document(s) which may be issued by or on behalf of the A-HTRUST Managers to amend, revise, supplement or update the document(s) from time to time
<u>“Securities Account”</u>	:	The relevant securities account maintained by a depositor with CDP but does not include a securities sub-account
<u>“SFA”</u>	:	Securities and Futures Act (Chapter 289 of Singapore)
<u>“SGX-ST”</u>	:	Singapore Exchange Securities Trading Limited
<u>“Unstapled”</u>	:	(a) In relation to an A-HTRUST REIT Unit, not being Stapled to an A-HTRUST BT Unit; and (b) in relation to an A-HTRUST BT Unit, not being Stapled to an A-HTRUST REIT Unit
<u>“Unstapling”</u>	:	The process that results in: (a) an A-HTRUST REIT Unit no longer being Stapled to an A-HTRUST BT Unit; and (b) an A-HTRUST BT Unit no longer being Stapled to an A-HTRUST REIT Unit
<u>“S\$”</u> or <u>“SGD”</u> and cents	:	Singapore dollars and cents respectively, being the lawful currency of Singapore

1.2 The terms **“depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

1.3 The headings in this A-HTRUST Scheme are inserted for convenience only and shall be ignored in construing this A-HTRUST Scheme.

1.4 Words denoting the singular only shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

APPENDIX J – THE A-HTRUST SCHEME

- 1.5 Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the SFA or the Code or any modification thereof and used in this A-HTRUST Scheme shall, where applicable, have the same meaning assigned to it under the SFA or the Code or any modification thereof, as the case may be, unless otherwise provided.
- 1.6 Any reference to any document or agreement shall include a reference to such document or agreement as amended, modified, supplemented and/or varied from time to time.
- 1.7 Any reference to a time of day and date in this A-HTRUST Scheme shall be a reference to Singapore time and date respectively, unless otherwise specified.

2. PREAMBLE

- 2.1 A-HTRUST is a stapled group comprising A-HTRUST REIT and A-HTRUST BT. The units in A-HTRUST REIT and A-HTRUST BT are Stapled together under the terms of the A-HTRUST Stapling Deed and cannot be traded separately.
- 2.2 A-HTRUST REIT is a real estate investment trust constituted on 13 March 2012 in the Republic of Singapore under the A-HTRUST REIT Trust Deed. A-HTRUST REIT is managed by the A-HTRUST REIT Manager.
- 2.3 A-HTRUST BT is a business trust constituted on 13 March 2012 in the Republic of Singapore under the A-HTRUST BT Trust Deed and registered under the Business Trusts Act (Chapter 31A of Singapore). A-HTRUST BT is managed by the A-HTRUST BT Trustee-Manager.
- 2.4 A-HTRUST was listed on the Mainboard of the SGX-ST on 27 July 2012.
- 2.5 Ascott Reit is a real estate investment trust constituted in the Republic of Singapore under the Ascott Reit Trust Deed and was listed on the Mainboard of the SGX-ST on 31 March 2006. Ascott Reit is managed by the Ascott Reit Manager.
- 2.6 On 3 July 2019, the respective boards of directors of the A-HTRUST Managers and the Ascott Reit Manager jointly announced the Combination, which shall be effected through the acquisition by Ascott Reit of all the A-HTRUST Stapled Securities held by the A-HTRUST Stapled Securityholders by way of a trust scheme of arrangement in compliance with the Code.
- 2.7 The Ascott Reit Trustee, the Ascott Reit Manager, the A-HTRUST REIT Trustee, the A-HTRUST REIT Manager and the A-HTRUST BT Trustee-Manager have entered into the Implementation Agreement which sets out the terms and conditions on which this A-HTRUST Scheme will be implemented, and their respective rights and obligations with respect to this A-HTRUST Scheme.
- 2.8 The main purpose of this A-HTRUST Scheme is to give effect to the Combination.
- 2.9 The Ascott Reit Manager has agreed to appear by legal counsel at the hearing of the application to sanction this A-HTRUST Scheme, and to consent thereto, and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary and desirable to be executed or done by it for the purpose of giving effect to this A-HTRUST Scheme.

APPENDIX J – THE A-HTRUST SCHEME

3. SCHEME CONDITIONS AND EFFECTIVENESS OF THIS A-HTRUST SCHEME

This A-HTRUST Scheme is conditional upon each condition precedent set out in Schedule 1, Part 1 of the Implementation Agreement (as reproduced in Paragraph 2.5(a) of the Letter to A-HTRUST Stapled Securityholders) being satisfied or, where applicable, waived in accordance with the terms of the Implementation Agreement.

4. TERMS OF THIS A-HTRUST SCHEME

4.1 Under this A-HTRUST Scheme, the following key steps will be taken in relation to the Combination:

- (a) Ascott Reit has established a wholly-owned business trust, Ascott BT. As at the Latest Practicable Date, there is one (1) unit in Ascott BT and as at the Ascott Reit Scheme Entitlement Date, the number of Ascott BT Units will be equivalent to the number of issued and outstanding Ascott Reit Units. Pursuant to the establishment of the Ascott BT and the stapled Ascott Reit and Ascott BT structure, the Ascott BT Trust Deed and Ascott Reit-BT Stapling Deed have been entered into. Further details on the Ascott BT and the stapled Ascott Reit and Ascott BT structure, the rights, preferences and restrictions attaching to each class of Ascott BT Units and the stapling and unstapling procedures of the Ascott Reit Units and the Ascott BT Units are set out in the Ascott Reit Composite Document;
- (b) pursuant to the Ascott Reit Scheme to be effected in accordance with the Ascott Reit Trust Deed, all the Ascott BT Units will be distributed *in specie* to the Ascott Reit Unitholders as at the Ascott Reit Scheme Entitlement Date and each Ascott BT Unit will be stapled to one (1) Ascott Reit Unit so as to form one (1) Ascott Reit-BT Stapled Unit in accordance with the Ascott Reit-BT Stapling Deed; and
- (c) pursuant to this A-HTRUST Scheme to be effected in accordance with the Code and the A-HTRUST Trust Deeds (as amended), on the A-HTRUST Scheme Implementation Date, the A-HTRUST Managers will Unstaple the A-HTRUST REIT Units and the A-HTRUST BT Units from the other and effect such Unstapling before any A-HTRUST REIT Unit and A-HTRUST BT Unit may be transferred to the Ascott Reit Trustee and the Ascott BT Trustee-Manager, respectively, pursuant to this A-HTRUST Scheme, such that each and every A-HTRUST Scheme Unit which is transferred to the Ascott Reit Trustee and the Ascott BT Trustee-Manager shall be transferred on an Unstapled basis. The Ascott Reit Trustee will acquire all the A-HTRUST REIT Units, and the Ascott BT Trustee-Manager will acquire all the A-HTRUST BT Units, for the Scheme Consideration, in each case:
 - (1) fully paid;
 - (2) free from all Encumbrances; and
 - (3) together with all rights, benefits and entitlements attaching thereto as at the date thereof and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the A-HTRUST Managers on or after the Joint Announcement Date, except for the A-HTRUST Permitted Distributions,

APPENDIX J – THE A-HTRUST SCHEME

such that on the A-HTRUST Scheme Implementation Date, the Ascott Reit Trustee shall hold 100% of all the A-HTRUST REIT Units and the Ascott BT Trustee-Manager shall hold 100% of all the A-HTRUST BT Units, in each case, on an Unstapled basis.

- 4.2 For the avoidance of doubt, the A-HTRUST Managers and the Ascott Reit Manager shall be entitled to declare, make or pay the A-HTRUST Permitted Distributions and the Ascott Reit Permitted Distributions (as the case may be) without any adjustment to the Scheme Consideration. The A-HTRUST Stapled Securityholders shall have the right to receive and retain the A-HTRUST Permitted Distributions in addition to the Scheme Consideration.
- 4.3 The Ascott Reit Manager reserves the right to adjust the Scheme Consideration by reducing the cash component of the Scheme Consideration, the unit component of the Scheme Consideration or by any combination of such cash and unit components, if and to the extent any distribution in excess of the A-HTRUST Permitted Distributions is declared, made or paid by the A-HTRUST Managers on or after the Joint Announcement Date.
- 4.4 For the purpose of giving effect to this A-HTRUST Scheme as provided for in Paragraph 4.1 of this A-HTRUST Scheme, the Ascott Reit Manager and the A-HTRUST Managers will (subject to the Combination Conditions having been satisfied or, as the case may be, waived in accordance with the Implementation Agreement) take the necessary steps to render this A-HTRUST Scheme effective and binding, and the following will be implemented:
- (a) the A-HTRUST Stapled Securities will be Unstapled and the A-HTRUST REIT Units and the A-HTRUST BT Units transferred to the Ascott Reit Trustee and the Ascott BT Trustee-Manager, respectively, as follows:
 - (i) in the case of Entitled Stapled Securityholders (not being depositors), the A-HTRUST Managers shall authorise any person to execute or effect on behalf of all such Entitled Stapled Securityholders an instrument or instruction of transfer of all the A-HTRUST Stapled Securities held by such Entitled Stapled Securityholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Stapled Securityholder; and
 - (ii) in the case of the Entitled Stapled Securityholders (being depositors), the A-HTRUST Managers shall instruct CDP, for and on behalf of such Entitled Stapled Securityholders, to debit, not later than **seven (7) Business Days** after the Effective Date, all of the A-HTRUST Stapled Securities standing to the credit of the Securities Accounts of such Entitled Stapled Securityholders and credit all of such A-HTRUST Stapled Securities on an Unstapled basis to the Securities Accounts of the Ascott Reit Trustee and the Ascott BT Trustee-Manager (as applicable);
 - (b) from the Effective Date, all existing confirmation notes relating to the A-HTRUST Stapled Securities held by the Entitled Stapled Securityholders (not being depositors) will cease to be evidence of title of the A-HTRUST Stapled Securities represented thereby;
 - (c) the Entitled Stapled Securityholders (not being depositors) are required to forward their existing confirmation notes relating to their A-HTRUST Stapled Securities to the Stapled Securities Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation; and

APPENDIX J – THE A-HTRUST SCHEME

- (d) the Ascott Reit Trustee and the Ascott Reit Manager shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the A-HTRUST Stapled Securities set out in Paragraph 4.4(a) above, make payment of the Scheme Consideration to the Entitled Stapled Securityholders in the manner set out in Paragraph 5 of this A-HTRUST Scheme.

5. SCHEME CONSIDERATION

- 5.1 In consideration of the transfer of the A-HTRUST REIT Units and the A-HTRUST BT Units, each of the Ascott Reit Trustee and the Ascott Reit Manager will, upon this A-HTRUST Scheme becoming effective in accordance with its terms, pay or procure the payment of S\$1.0868 per A-HTRUST Stapled Security held by each of the A-HTRUST Stapled Securityholders as at the A-HTRUST Scheme Entitlement Date, which shall be satisfied by:
 - (a) the payment by the Ascott Reit Trustee of the Cash Consideration of S\$0.0543 in cash for each A-HTRUST Stapled Security; and
 - (b) the allotment and issue by the Ascott Reit Manager of the Consideration Units of 0.7942 Ascott Reit-BT Stapled Units at an issue price of S\$1.30 for each Consideration Unit and credited as fully paid as follows:
 - (i) the allotment and issue by the Ascott Reit Trustee of new Ascott Reit Units on an unstapled basis as part of the Scheme Consideration; and
 - (ii) the allotment and issue by the Ascott BT Trustee-Manager of new Ascott BT Units on an unstapled basis as part of the Scheme Consideration,on terms that immediately after such issuance and receipt thereof by the A-HTRUST Stapled Securityholder, each such new Ascott Reit Unit will be stapled with one (1) Ascott BT Unit so as to form one (1) Ascott Reit-BT Stapled Unit in accordance with the Ascott Reit-BT Stapling Deed.
- 5.2 The Scheme Consideration implies a gross exchange ratio of 0.836 times, which was derived from the audited NAV for each A-HTRUST Stapled Security as at 31 March 2019 of S\$1.02 divided by the audited NAV for each Ascott Reit Unit as at 31 December 2018 of S\$1.22.
- 5.3 The Scheme Consideration was determined based on commercial negotiations between the Ascott Reit Manager and the A-HTRUST Managers. Factors taken into account in arriving at the Scheme Consideration included (without limitation): (1) the implied value of the Scheme Consideration relative to the historical trading prices and NAV of Ascott Reit and A-HTRUST; and (2) the DPU and NAV accretion to the A-HTRUST Stapled Securityholders on a historical *pro forma* basis.
- 5.4 The aggregate Cash Consideration to be paid to each A-HTRUST Stapled Securityholder shall be rounded to the nearest S\$0.01. The number of Consideration Units which each A-HTRUST Scheme Unitholder shall be entitled to pursuant to this A-HTRUST Scheme, based on the number of A-HTRUST Scheme Units held by such A-HTRUST Scheme Unitholder as at the A-HTRUST Scheme Entitlement Date, shall be rounded down to the nearest whole number, and fractional entitlements shall be disregarded.

APPENDIX J – THE A-HTRUST SCHEME

5.5 By way of illustration, if the A-HTRUST Scheme becomes effective in accordance with its terms, an A-HTRUST Scheme Unitholder will receive S\$54.30 in cash and 794 Ascott Reit-BT Stapled Units for every 1,000 A-HTRUST Stapled Securities held by it as at the A-HTRUST Scheme Entitlement Date.

5.6 The Cash Consideration

(a) The Ascott Reit Trustee and the Ascott BT Trustee-Manager shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the A-HTRUST Stapled Securities set out in Paragraph 4.4(a) of this A-HTRUST Scheme:

(i) Entitled Stapled Securityholders whose A-HTRUST Stapled Securities are not deposited with CDP

pay each Entitled Stapled Securityholder (not being a depositor) by sending a cheque for the Cash Consideration payable to and made out in favour of such Entitled Stapled Securityholder by ordinary post to his address as appearing in the Register of A-HTRUST Stapled Securityholders at the close of business on the A-HTRUST Scheme Entitlement Date, at the sole risk of such Entitled Stapled Securityholder, or in the case of joint Entitled Stapled Securityholders, to the first named Entitled Stapled Securityholder made out in favour of such Entitled Stapled Securityholder by ordinary post to his address as appearing in the Register of A-HTRUST Stapled Securityholders at the close of business on the A-HTRUST Scheme Entitlement Date, at the sole risk of such joint Entitled Stapled Securityholders; and

(ii) Entitled Stapled Securityholders whose A-HTRUST Stapled Securities are deposited with CDP

pay each Entitled Stapled Securityholder (being a depositor) by making payment of the Cash Consideration payable to such Entitled Stapled Securityholder to CDP. CDP shall:

(A) in the case of an Entitled Stapled Securityholder (being a depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Stapled Securityholder, to the designated bank account of such Entitled Stapled Securityholder; and

(B) in the case of an Entitled Stapled Securityholder (being a depositor) who has not registered for CDP's direct crediting service, send to such Entitled Stapled Securityholder, by ordinary post to his address as appearing in the Depository Register at the close of business on the A-HTRUST Scheme Entitlement Date regardless of whether such Entitled Stapled Securityholder holds the A-HTRUST Stapled Securities as custodian or nominee and at the sole risk of such Entitled Stapled Securityholder, or in the case of joint Entitled Stapled Securityholders, to the first named Entitled Stapled Securityholder by ordinary post to his address as appearing in the Depository Register at the close of business on the A-HTRUST Scheme Entitlement Date, at the sole risk of such joint Entitled Stapled Securityholder, a cheque for the payment of such Cash Consideration made out in favour of such Entitled Stapled Securityholder.

APPENDIX J – THE A-HTRUST SCHEME

- (b) On and after the day being six (6) calendar months after the posting of such cheques relating to the Cash Consideration, CDP shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in CDP's name with a licensed bank in Singapore selected by CDP.
- (c) CDP shall hold such moneys until the expiration of six (6) years from the A-HTRUST Scheme Implementation Date and shall prior to such date make payments therefrom of the sums payable pursuant to Paragraph 5.6(b) of this A-HTRUST Scheme to persons who satisfy CDP that they are respectively entitled thereto and that the cheques referred to in Paragraph 5.6(a) of this A-HTRUST Scheme for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by CDP hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to this Paragraph 5.6(c).
- (d) On the expiry of six (6) years from the A-HTRUST Scheme Entitlement Date, CDP, the Ascott Reit Trustee and the Ascott BT Trustee-Manager shall be released from any further obligation to make any payments of the Cash Consideration under this A-HTRUST Scheme.

5.7 The Consideration Units

- (a) The Ascott Reit Trustee and the Ascott BT Trustee-Manager shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the A-HTRUST Stapled Securities set out in Paragraph 4.4(a) of this A-HTRUST Scheme:

- (i) Entitled Stapled Securityholders whose A-HTRUST Stapled Securities are not deposited with CDP

deliver the confirmation notes for the relevant number of Consideration Units to each Entitled Stapled Securityholder (not being a depositor) by sending to such Entitled Stapled Securityholder the same by ordinary post at his address as appearing in the Register of A-HTRUST Stapled Securityholders at the close of business on the A-HTRUST Scheme Entitlement Date at the sole risk of such Entitled Stapled Securityholder, or in the case of joint Entitled Stapled Securityholders, to the first named Entitled Stapled Securityholder by ordinary post at his address as appearing in the Register of A-HTRUST Stapled Securityholders at the close of business on the A-HTRUST Scheme Entitlement Date, at the sole risk of such joint Entitled Stapled Securityholders; and

- (ii) Entitled Stapled Securityholders whose A-HTRUST Stapled Securities are deposited with CDP

deliver the confirmation notes for the relevant number of Consideration Units to each Entitled Stapled Securityholder (being a depositor) by sending the same to CDP. CDP shall send to such Entitled Stapled Securityholder, by ordinary post at his address (such address as appearing in the Depository Register at the close of business on the A-HTRUST Scheme Entitlement Date) at the sole risk of such Entitled Stapled Securityholder, or in the case of joint Entitled Stapled Securityholders, to the first named Entitled Stapled Securityholder by ordinary post at his address as appearing in the Depository Register at the close of

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business on the A-HTRUST Scheme Entitlement Date, at the sole risk of such joint Entitled Stapled Securityholders, a statement showing the number of Consideration Units credited to his Securities Account.

- (b) All mandates or other instructions given by any Entitled Stapled Securityholder relating to the payment of distributions by A-HTRUST or relating to notices, annual report or other communications in force on the Relevant Date shall, unless and until specifically revoked in writing, be deemed on and from the Effective Date to be an effective mandate or, as the case may be, an effective instruction in respect of his corresponding holding of Consideration Units.

5.8 The despatch of payment of the Cash Consideration and delivery of confirmation notes by the Ascott Reit Trustee and the Ascott BT Trustee-Manager to each Entitled Stapled Securityholder's address and/or CDP (as the case may be) in accordance with this Paragraph 5 shall be deemed as a good discharge to Ascott Reit, Ascott Reit Manager, Ascott Reit Trustee and CDP of the Cash Consideration and of the Consideration Units represented thereby.

5.9 From the Effective Date, each existing confirmation note representing a former holding of A-HTRUST Stapled Securities by Entitled Stapled Securityholders (not being depositors) will cease to be evidence of title of the A-HTRUST Stapled Securities represented thereby. The Entitled Stapled Securityholders (not being depositors) shall forward their existing confirmation notes relating to their A-HTRUST Stapled Securities to the Stapled Security Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation.

6. EFFECTIVE DATE

6.1 This A-HTRUST Scheme will become effective upon the lodgement of the A-HTRUST Scheme Court Order with the MAS or the notification to the MAS of the grant of the A-HTRUST Scheme Court Order, as the case may be, which shall be effected by the A-HTRUST Managers:

- (a) within 10 Business Days from the date that the last of the Combination Conditions set out in Paragraphs 2.5(a)(i), 2.5(a)(ii) and 2.5(a)(iii) of the Letter to A-HTRUST Stapled Securityholders is satisfied or waived, as the case may be, in accordance with the terms of the Implementation Agreement; and
- (b) provided that the Combination Conditions set out in Paragraphs 2.5(a)(iv), 2.5(a)(v), 2.5(a)(vi) and 2.5(a)(vii) of the Letter to A-HTRUST Stapled Securityholders are satisfied or waived on the Relevant Date, as the case may be, in accordance with the terms of the Implementation Agreement.

6.2 Unless this A-HTRUST Scheme shall have become effective and binding as aforesaid on or before the Long-Stop Date, this A-HTRUST Scheme shall lapse.

6.3 The A-HTRUST Managers, the A-HTRUST REIT Trustee, the Ascott Reit Manager and the Ascott Reit Trustee may jointly consent, for and on behalf of all concerned, to any modification of, or amendment to, this A-HTRUST Scheme or to any condition which the Court may think fit to approve or impose.

APPENDIX J – THE A-HTRUST SCHEME

- 6.4 In the event that this A-HTRUST Scheme does not become effective and binding for any reason, the expenses and costs incurred by the A-HTRUST Managers in connection with this A-HTRUST Scheme will be paid out of the assets of A-HTRUST.

7. PROPER LAW AND JURISDICTION

- 7.1 This A-HTRUST Scheme shall be governed by, and construed in accordance with, the laws of the Republic of Singapore.
- 7.2 A-HTRUST, the A-HTRUST Managers, the A-HTRUST REIT Trustee, Ascott Reit, the Ascott Reit Trustee, the Ascott Reit Manager and the A-HTRUST Stapled Securityholders hereby irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

8. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT (CHAPTER 53B OF SINGAPORE)

A person who is not a party to this A-HTRUST Scheme has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore) to enforce any term or provision of this A-HTRUST Scheme.

9. CAPACITY AND LIABILITY OF THE A-HTRUST REIT TRUSTEE

- 9.1 Notwithstanding any provision to the contrary in this A-HTRUST Scheme, the Parties agree and acknowledge that Perpetual (Asia) Limited has entered into this A-HTRUST Scheme solely in its capacity as trustee of A-HTRUST REIT and not in its personal capacity and all references to the A-HTRUST REIT Trustee in this A-HTRUST Scheme shall be construed accordingly. As such, notwithstanding any provision to the contrary in this A-HTRUST Scheme, Perpetual (Asia) Limited has assumed all obligations under this A-HTRUST Scheme solely in its capacity as trustee of A-HTRUST REIT and not in its personal capacity and any liability of or indemnity, covenant, undertaking or warranty given by the A-HTRUST REIT Trustee under this A-HTRUST Scheme is given in its capacity as trustee of A-HTRUST REIT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent or delegate is limited to the assets of A-HTRUST REIT over which Perpetual (Asia) Limited in its capacity as trustee of A-HTRUST REIT has recourse and shall not extend to any personal assets of Perpetual (Asia) Limited or any assets held by Perpetual (Asia) Limited in its capacity as trustee of any other trust. Any obligation, matter, act, action or thing required to be done, performed, or undertaken or any covenant, warranty or undertaking given by the A-HTRUST REIT Trustee under this A-HTRUST Scheme shall only be in connection with matters relating to A-HTRUST REIT and shall not extend to the obligations of Perpetual (Asia) Limited in respect of any other trust or real estate investment trust of which it is trustee.
- 9.2 Notwithstanding any provision to the contrary in this A-HTRUST Scheme, the Parties hereby acknowledge and agree that the obligations of the A-HTRUST REIT Trustee under this A-HTRUST Scheme shall be solely the corporate obligations of Perpetual (Asia) Limited, in its capacity as trustee of A-HTRUST REIT, and that the Parties shall not have any recourse against the shareholders, directors, officers or employees of Perpetual (Asia) Limited for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of this A-HTRUST Scheme.

APPENDIX J – THE A-HTRUST SCHEME

- 9.3 For the avoidance of doubt, any legal action or proceedings commenced against the A-HTRUST REIT Trustee whether in Singapore or elsewhere pursuant to this A-HTRUST Scheme shall be brought against Perpetual (Asia) Limited in its capacity as trustee of A-HTRUST REIT and not in its personal capacity.
- 9.4 The provisions of this Clause 9 shall apply, *mutatis mutandis*, to any notice, certificate or other document which the A-HTRUST REIT Trustee issues under or pursuant to this A-HTRUST Scheme, as if expressly set out in such notice, certificate or document, and shall survive the termination or rescission of this A-HTRUST Scheme.

Dated this 26th day of September 2019

APPENDIX K – NOTICE OF SCHEME MEETING

NOTICE OF SCHEME MEETING

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OS 1125/2019

In the Matter of Order 80 of the Rules of Court (Cap. 322, R5, 2014 Rev Ed)

And

In the Matter of ASCENDAS HOSPITALITY TRUST comprising Ascendas Hospitality Real Estate Investment Trust (a real estate investment trust constituted on 13 March 2012 under the laws of the Republic of Singapore) and Ascendas Hospitality Business Trust (a business trust constituted on 13 March 2012 under the laws of the Republic of Singapore)

1. **ASCENDAS HOSPITALITY FUND MANAGEMENT PTE. LTD. (in its capacity as manager of Ascendas Hospitality Real Estate Investment Trust)** (Company Registration Number: 201133966D)
2. **ASCENDAS HOSPITALITY TRUST MANAGEMENT PTE. LTD. (in its capacity as trustee-manager of Ascendas Hospitality Business Trust)** (Company Registration Number: 201135524E)
3. **PERPETUAL (ASIA) LIMITED (in its capacity as trustee of Ascendas Hospitality Real Estate Investment Trust)** (Company Registration Number: 200518022M)

... Applicants

TRUST SCHEME OF ARRANGEMENT

Between

Ascendas Hospitality Fund Management Pte Ltd. (in its capacity as manager of
Ascendas Hospitality Real Estate Investment Trust)

Ascendas Hospitality Trust Management Pte Ltd. (in its capacity as trustee-manager of
Ascendas Hospitality Business Trust)

Perpetual (Asia) Limited (in its capacity as trustee of
Ascendas Hospitality Real Estate Investment Trust)

And

A-HTRUST Stapled Securityholders (as defined herein)

And

Ascott Residence Trust Management Limited (in its capacity as manager of Ascott Reit)

And

DBS Trustee Limited (in its capacity as trustee of Ascott Reit)

APPENDIX K – NOTICE OF SCHEME MEETING

NOTICE IS HEREBY GIVEN that by an Order of Court made in the above matter, the High Court of the Republic of Singapore (the “**Court**”) has directed a meeting (the “**Scheme Meeting**”) of stapled securityholders (the “**A-HTRUST Stapled Securityholders**”) of Ascendas Hospitality Trust (“**A-HTRUST**”) to be convened and such Scheme Meeting shall be held at Raffles City Convention Centre, Canning Ballroom, Level 4, 2 Stamford Road, Singapore 178882 on 21 October 2019 at 3.30 p.m. (or as soon thereafter following the conclusion of the extraordinary general meeting of the A-HTRUST Stapled Securityholders to be held at 2.30 p.m. on the same day and at the same venue (the “**Extraordinary General Meeting**”), whichever is later), for the purpose of considering and, if thought fit, approving the following resolution. All capitalised terms used in this Notice which are not defined herein shall have the meanings ascribed to them in the Scheme Document dated 26 September 2019.

THE SCHEME RESOLUTION

RESOLVED THAT:

- (a) subject to and contingent upon the passing of the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting, the trust scheme of arrangement dated 26 September 2019 proposed to be made in accordance with the A-HTRUST Trust Deeds (as amended pursuant to the A-HTRUST Trust Deeds Amendments Resolution at the Extraordinary General Meeting) and in compliance with the Code, between (i) the A-HTRUST Managers, (ii) the A-HTRUST REIT Trustee, (iii) the A-HTRUST Stapled Securityholders, (iv) the Ascott Reit Manager and (v) the Ascott Reit Trustee, a copy of which has been circulated with the Notice convening this Scheme Meeting, be and is hereby approved: and
- (b) the A-HTRUST Managers and the A-HTRUST REIT Trustee are hereby severally authorised to complete and do all such acts and things (including executing all such documents) as the A-HTRUST Managers and the A-HTRUST REIT Trustee may consider expedient or necessary or in the interests of A-HTRUST to give effect to the A-HTRUST Scheme.

Notes:

1. A copy of the said A-HTRUST Scheme is incorporated in the Scheme Document of which this Notice forms part.
2. A-HTRUST Stapled Securityholders (including Overseas Stapled Securityholders) may obtain copies of the Scheme Document and any related documents during normal business hours and up to the date of the Scheme Meeting from the Stapled Security Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Stapled Securityholder may write in to the Stapled Security Registrar at the same address to request for the Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.
3. A form of proxy applicable for the Scheme Meeting (the “**Proxy Form (Scheme Meeting)**”) is enclosed with the Scheme Document, of which this Notice forms part.
4. The Proxy Form (Scheme Meeting) and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited with the Stapled Security Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for the Scheme Meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. A person appointed to act as a proxy need not be an A-HTRUST Stapled Securityholder but must attend the Scheme Meeting in person to represent the appointor.
5. An A-HTRUST Stapled Securityholder may only cast all the votes it holds at the Scheme Meeting in one (1) way, namely, either for or against the resolution to be proposed at the Scheme Meeting.
6. An A-HTRUST Stapled Securityholder may appoint one (1) (and not more than one (1)) proxy to attend, speak and vote at the Scheme Meeting, PROVIDED THAT if the A-HTRUST Stapled Securityholder is a depositor, the A-HTRUST Managers shall be entitled and bound:
 - (i) to reject any Proxy Form (Scheme Meeting) lodged if the depositor is not shown to have any A-HTRUST Stapled Securities entered against his name in the Depository Register as at 48 hours before the time of the Scheme Meeting as certified by the Depository to the A-HTRUST Managers; and

APPENDIX K – NOTICE OF SCHEME MEETING

- (ii) to accept as the maximum number of votes which the proxy appointed by the depositor is able to cast on a poll a number which is the number of A-HTRUST Stapled Securities entered against the name of that depositor in the Depository Register as at 48 hours before the time of the Scheme Meeting as certified by the Depository to the A-HTRUST Managers, whether that number is greater or smaller than the number specified in any Proxy Form (Scheme Meeting) executed by or on behalf of that depositor.
7. Each Proxy Form (Scheme Meeting) must be executed under the hand of the appointor or his/her attorney duly authorised in writing. Where a Proxy Form (Scheme Meeting) is executed by a corporation, it must be executed either under its common seal or signed by its duly authorised attorney or officer. Where a Proxy Form (Scheme Meeting) is signed by an attorney on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with A-HTRUST) be lodged with the Proxy Form (Scheme Meeting), failing which the Proxy Form (Scheme Meeting) may be treated as invalid.
8. A corporation, being an A-HTRUST Stapled Securityholder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the Scheme Meeting and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
9. An A-HTRUST Stapled Securityholder voting by proxy shall be included in the count of A-HTRUST Stapled Securityholders present and voting at the Scheme Meeting as if that A-HTRUST Stapled Securityholder was voting in person, such that the votes of a proxy who has been appointed to represent more than one (1) A-HTRUST Stapled Securityholder at the Scheme Meeting shall be counted as the votes of the number of appointing A-HTRUST Stapled Securityholder.
10. In the case of joint A-HTRUST Stapled Securityholders, any one (1) of such persons may vote, but if more than one (1) of such persons is present at the Scheme Meeting, the person whose name stands first in the Register of A-HTRUST Stapled Securityholders of A-HTRUST or the Depository Register, as the case may be, shall alone be entitled to vote.
11. By the said Order of Court, the Court has appointed Mr. Chia Kim Huat, or failing him, any director of the A-HTRUST REIT Manager, to act as Chairman of the Scheme Meeting and has directed the Chairman to report the results thereof to the Court.
12. The said A-HTRUST Scheme will be subject to, inter alia, the subsequent approval of the Court.

Personal Data Privacy:

By either (a) attending the Scheme Meeting or (b) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Scheme Meeting and/or any adjournment thereof, an A-HTRUST Stapled Securityholder (i) consents to the collection, use and disclosure of the A-HTRUST Stapled Securityholder's personal data by the A-HTRUST Managers and the A-HTRUST REIT Trustee (or their agents) for the purpose of the processing and administration by the A-HTRUST Managers and the A-HTRUST REIT Trustee (or their agents) of proxies and representatives appointed for the Scheme Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Scheme Meeting (including any adjournment thereof), and in order for the A-HTRUST Managers and the A-HTRUST REIT Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the A-HTRUST Stapled Securityholder discloses the personal data of the A-HTRUST Stapled Securityholder's proxy(ies) and/or representative(s) to the A-HTRUST Managers and the A-HTRUST REIT Trustee (or their agents), the A-HTRUST Stapled Securityholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the A-HTRUST Managers and the A-HTRUST REIT Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the A-HTRUST Stapled Securityholder will indemnify the A-HTRUST Managers and the A-HTRUST REIT Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the A-HTRUST Stapled Securityholder's breach of warranty.

APPENDIX K – NOTICE OF SCHEME MEETING

Dated this 26th day of September 2019

By Order of the Court

Ascendas Hospitality Fund Management Pte. Ltd.
(in its capacity as manager of
Ascendas Hospitality Real Estate Investment Trust)
1 Fusionopolis Place #10-10 Galaxis
Singapore 138522

Ascendas Hospitality Trust Management Pte. Ltd.
(in its capacity as trustee-manager of
Ascendas Hospitality Business Trust)
1 Fusionopolis Place #10-10 Galaxis
Singapore 138522

Perpetual (Asia) Limited
(in its capacity as trustee of
Ascendas Hospitality Real Estate Investment Trust)
8 Marina Boulevard, #05-02 Marina Bay
Financial Centre,
Singapore 018981

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A Member of CapitaLand

ASCENDAS HOSPITALITY TRUST

1 Fusionopolis Place #10-10
Galaxis, Singapore 138522

www.a-htrust.com