



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

PROPOSED ACQUISITION OF 12, 14 AND 16 SCIENCE PARK DRIVE

1. INTRODUCTION

1.1 Proposed Acquisition of 12, 14 and 16 Science Park Drive

Ascendas Funds Management (S) Limited, in its capacity as manager of Ascendas Real Estate Investment Trust ("**Ascendas Reit**", and as manager of Ascendas Reit, the "**Manager**"), is pleased to announce that HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Ascendas Reit (the "**Trustee**"), has on 5 December 2016 entered into a conditional put and call option agreement (the "**Put and Call Option Agreement**") with Ascendas Land (Singapore) Pte. Ltd. (the "**Vendor**") in relation to the proposed acquisition (the "**Proposed Acquisition**") of the Leasehold Interest¹ in the property located at 12 Science Park Drive Singapore 118225, 14 Science Park Drive Singapore 118226 and 16 Science Park Drive Singapore 118227, together with the Plant and Equipment² therein (the "**Property**").

Pursuant to the Put and Call Option Agreement, the Trustee and the Vendor are required to enter into the sale and purchase agreement for the Property (the "**Purchase Agreement**") on the day the Call Option (as defined herein) is exercised by the Trustee, or on the day the Put Option (as defined herein) is exercised by the Vendor (as the case may be).

1.2 Description of the Property

The Property is located within Singapore Science Park 1, off South Buona Vista Road. Singapore Science Park 1 is situated along Singapore's technology corridor and is amongst Asia's most prestigious addresses for research and development and technology development. Prominent developments within the vicinity include the National University of Singapore, the National University Hospital, Campus for Research Excellence and Technological Enterprise and various public research institutions. The Property is within walking distance to Kent Ridge MRT station, and is a few minutes' drive to West Coast Highway and Ayer Rajah Expressway, all of which facilitates access from the Property to other parts of Singapore.

The Property comprises 12 and 14 Science Park Drive ("**DSO National Laboratories Buildings**") and 16 Science Park Drive ("**DNV GL Technology Centre**") with a total contractual gross floor area of approximately 78,871 square metres.

¹ "Leasehold Interest" refers to the leasehold term commencing from (and including) the date of completion of the Proposed Acquisition and ending on 30 May 2081.

² "Plant and Equipment" refers to the fixed plant and equipment (including, without limitation, all fixtures, lifts, air-conditioning equipment and other plant and equipment necessary for the operation of the Property), if any, located in or on or which otherwise exclusively relate to the Property or the operations of the Property and which are owned by the Vendor in its capacity as owner of the Property.

The DSO National Laboratories Buildings consist of two 8-storey built-to-suit buildings with a total of 460 car park lots. The buildings have been certified Green Mark Gold Plus by the Building & Construction Authority of Singapore ("**BCA**") in 2013.

DNV GL Technology Centre is a 7-storey building with 90 car park lots, which has been certified Green Mark Gold Plus in 2013 and Green Mark Pearl in 2015 by BCA.

The table below sets out a summary of selected information on the Property as at 30 September 2016 (unless otherwise indicated).

Building	DSO National Laboratories Buildings		DNV GL Technology Centre
Location	12 Science Park Drive Singapore 118225	14 Science Park Drive Singapore 118226	16 Science Park Drive Singapore 118227
Contractual Gross Floor Area/ Contractual Net Lettable Area (sq m)	69,016		9,855
Number of Tenants	1		1
Occupancy	100.0%		100.0%
Land Tenure	Leasehold for a term of 99 years commencing from 1 June 1982 and expiring on 31 May 2081. The Trustee is purchasing a leasehold interest of term commencing from (and including) the date of completion of the Proposed Acquisition and ending on 30 May 2081.		
Number of Car Park Lots	265	195	90

1.3 Relationship with the Vendor

As at the date of this announcement, the Vendor holds an aggregate direct interest in 476,167,336 units in Ascendas Reit ("**Units**"), which is equivalent to approximately 16.76 % of the total number of Units in issue, and is therefore regarded as a "controlling Unitholder" of Ascendas Reit under both the listing manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Listing Manual**") and Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the "**Property Funds Appendix**").

In view of the foregoing, the Vendor is (for the purposes of the Listing Manual) an "interested person" and (for the purposes of the Property Funds Appendix) an "interested party" of Ascendas Reit.

Given that the purchase consideration for the Proposed Acquisition (the "**Purchase Price**") is S\$420.0 million (which is 7.3% of both the net tangible assets ("**NTA**") of Ascendas Reit and the net asset value ("**NAV**") of Ascendas Reit as at 31 March 2016), the value of the Proposed Acquisition exceeds 5.0% of the NTA and the NAV of Ascendas Reit.

Therefore, the Proposed Acquisition will constitute an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under the Property Funds Appendix, in respect of which the approval of unitholders of Ascendas Reit ("**Unitholders**") is required.

A circular (the "**Circular**") will be issued to Unitholders in due course, together with a notice of extraordinary general meeting ("**EGM**"), for the purpose of seeking the approval of Unitholders for the Proposed Acquisition.

2. DETAILS OF THE PROPOSED ACQUISITION

2.1 Valuation and Purchase Consideration

The Manager has commissioned an independent property valuer, Edmund Tie & Company (SEA) Pte Ltd ("**ETC**") (formerly known as DTZ Debenham Tie Leung (SEA) Pte Ltd), and the Trustee has commissioned another independent property valuer, Knight Frank Pte Ltd ("**Knight Frank**"), to value the Property. The open market value of the Property as at 1 November 2016 is S\$428.8 million and S\$430.0 million as stated by ETC and Knight Frank in their respective valuation reports. The methods used by ETC and Knight Frank were the discounted cash flow method and the capitalisation method.

The Purchase Price payable to the Vendor in connection with the Proposed Acquisition is S\$420.0 million. The Purchase Price was arrived at on a willing-buyer and willing-seller basis taking into account the independent valuations of the Property set out above.

The Trustee has paid an option fee of S\$50,000 (the "**Option Fee**") in cash by way of cashier's order(s) or cheque(s) to the Vendor upon the signing of the Put and Call Option Agreement. The Option Fee is refundable to the Trustee if the Call Option and the Put Option is not exercised. Of the balance of S\$419.95 million, S\$20.0 million (the "**Deferred Payment Sum**") will be paid in cash by way of cashier's order(s) on the date falling one (1) year after the date of completion ("**Completion**") of the Proposed Acquisition (the "**Completion Date**"), subject to any deductions thereof properly made by the Trustee pursuant to the Purchase Agreement and S\$399.95 million (the "**Balance Purchase Price**") will be payable on the Completion Date.

2.2 Partial Payment for the Proposed Acquisition

A sum of S\$100.0 million of the Balance Purchase Price will be satisfied by way of issue of new Units in Ascendas Reit (the "**Consideration Units**") to the Vendor (the "**Equity Consideration**") unless either the Vendor or the Trustee (together, the "**Parties**" and each, a "**Party**") issues a notice electing for the full settlement in cash of the sum of S\$100.0 million of the Balance Purchase Price (the "**Cash Settlement Notice**") by 1 p.m. on the date falling nine (9) Business Days³ after the date of commencement of the "ex-dividend" trading in relation to the books closure date for the advanced distribution, or as the case may be, cumulative distribution declared by the Manager (the "**VWAP Date**") (the "**Cash Settlement Cut-Off Time**").

Both Parties shall have absolute discretion to elect for the full settlement in cash of the sum of S\$100.0 million of the Balance Purchase Price in lieu of the Equity Consideration.

If neither Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time, the issue price of the Consideration Units will be determined by the volume weighted average price for a Unit for all trades on the SGX-ST for the period of 10 Business Days commencing on the first day of "ex-dividend" trading in relation to the books closure date for the advanced distribution, or as the case may be, cumulative distribution declared by

³ A day (other than a Saturday, Sunday or public holiday) on which commercial banks in Singapore are open for business.

the Manager (in relation to the then existing Units in issue) and ending on the Business Day immediately preceding the Completion Date (the "10-Day VWAP").

2.3 Principal Terms and Conditions of the Put and Call Option Agreement

(a) Put and Call Options

Pursuant to the Put and Call Option Agreement:

- (i) in consideration of the Trustee's payment of the Option Fee to the Vendor, the Vendor granted to the Trustee a right (the "Call Option") to require the Vendor to enter into the Purchase Agreement with the Trustee for the purchase of the Leasehold Interest in respect of the Property at the Purchase Price and on the terms of the Purchase Agreement; and
- (ii) in consideration of the mutual covenants in the Put and Call Option Agreement, the Trustee granted to the Vendor a right (the "Put Option") to require the Trustee to enter into the Purchase Agreement with the Vendor for the sale of the Leasehold Interest in respect of the Property at the Purchase Price and on the terms of the Purchase Agreement.

(b) Conditions Precedent

The principal terms of the Put and Call Option Agreement include the following conditions precedent (the "Conditions Precedent"), which are to be fulfilled before the Trustee can serve the Call Option notice on the Vendor (or the Vendor can serve the Put Option notice on the Trustee, as the case may be):

- (i) the Unitholders' approval being obtained for the acquisition of the Leasehold Interest in respect of the Property (the "Unitholders' Acquisition Approval");
- (ii) the written approval of the President of the Republic of Singapore and his successors in office to the sale of the Leasehold Interest in respect of the Property being obtained (the "Head Lessor Sale Approval"); and
- (iii) the Trustee completing due diligence (including legal, financial, commercial and technical due diligence) on the Property and the results of the due diligence being reasonably satisfactory to the Trustee (the "Due Diligence Condition").

(c) Exercise of Call Option

The Trustee may exercise the Call Option by delivering to the Vendor the Call Option notice before the expiry of the call option exercise period ("Call Option Exercise Period"), being:

- (i) (if either Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time) the period commencing on the Conditions Fulfilment Date (as defined herein) and ending at 5 p.m. on the date falling five (5) Business Days after the Conditions Fulfilment Date (or such other date as the Parties may mutually agree in writing); or

- (ii) (if neither Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time) the period commencing from (and including) 9 a.m. on the the Business Day falling after the VWAP Date ("**Designated Date**") and ending on 1 p.m. on the Designated Date.

The "**Conditions Fulfilment Date**" means the later of:

- (A) the date on which the Trustee gives written notice to the Vendor after the latest of:
 - (1) the date of obtaining the Unitholders' Acquisition Approval;
 - (2) the date on which the Due Diligence Condition is satisfied (as reasonably determined by the Trustee); and
 - (3) the VWAP Date; and
- (B) the date on which the Vendor gives written notice to the Trustee that it has obtained the Head Lessor Sale Approval.

The Trustee may not serve the Call Option notice on the Vendor except during the Call Option Exercise Period and unless all the Conditions Precedent have been fulfilled, and Provided Further that if neither Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time, the Call Option notice may only be served on the Designated Date between 9 a.m. and 1.00 p.m..

Upon the Trustee's issuance and service of the Call Option notice in accordance with the terms of the Put and Call Option Agreement, both the Trustee and the Vendor shall be bound to enter into the Purchase Agreement on the same date of such service.

(d) Exercise of Put Option

The Vendor may exercise the Put Option by delivering to the Trustee the Put Option notice before the expiry of the put option exercise period ("**Put Option Exercise Period**"), being:

- (i) (if either Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time) the period commencing immediately after the expiry of the Call Option Exercise Period and ending at 5 p.m. two (2) Business Days thereafter; or
- (ii) (if neither Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time) the period commencing from (and including) 1.01 p.m. on the Designated Date and ending on 5 p.m. on the Designated Date.

The Vendor may not serve the Put Option notice on the Trustee:

- (A) except during the Put Option Exercise Period and unless all the Conditions Precedent have been fulfilled;
- (B) if the Trustee has served the Call Option notice on the Vendor during the Call

Option Exercise Period; or

- (C) if the Trustee has given notice to terminate the Put and Call Option Agreement,

and Provided Further that if neither Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time, the Put Option notice may only be served on the Designated Date between 1.01 p.m. and 5 p.m.. Upon the Vendor's issuance and service of the Put Option notice, both the Trustee and the Vendor shall be bound to enter into the Purchase Agreement on the same date of such service.

(e) Application of Option Fee

The Vendor shall apply the Option Fee towards payment of the deposit to be paid by the Trustee pursuant to the Purchase Agreement. The Vendor shall refund the Option Fee to the Trustee within seven (7) Business Days after the date of expiry of the Put Option Exercise Period if neither the Call Option nor the Put Option has been exercised by the relevant party before the expiry of the Call Option Exercise Period or the Put Option Exercise Period (as the case may be).

(f) Termination of the Put and Call Option Agreement

The Trustee shall be entitled to terminate the Put and Call Option Agreement if:

- (i) there is any material damage of the Property and/or the Plant and Equipment, or any part(s) thereof respectively, by fire or any other causes;
- (ii) there is any compulsory acquisition or notice of compulsory acquisition or notice of intended acquisition by the government or any other competent authority affecting any of the buildings in which the Property is comprised to any extent or measure or 5% or more of the land area of 5099L of Mukim 3;
- (iii) the replies to any of the Trustee's legal requisitions to the local authorities reveal any findings which materially adversely affect the Property or any part(s) thereof; or
- (iv) there is a material breach of any of the warranties set out in the Purchase Agreement by the Vendor.

2.4 Principal Terms and Conditions of the Purchase Agreement

The principal terms of the Purchase Agreement include, among others, the following:

- (a) if the Unitholders' approval for the proposed issuance of the Consideration Units is obtained prior to Completion, the Balance Purchase Price shall be paid by the Trustee on Completion in the following manner:
 - (i) a sum of S\$100.0 million of the Balance Purchase Price will be satisfied:
 - (A) by way of issue of new Units if neither Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time; and
 - (B) by way of cash if either Party issues the Cash Settlement Notice

by the Cash Settlement Cut-Off Time; and

- (ii) (A) (if neither Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time) the remaining portion of the Balance Purchase Price, after deducting the aggregate value of the Consideration Units actually issued in such manner and to the Vendor pursuant to the Purchase Agreement, shall be paid in cash by way of cashier's order(s) or bank draft(s) to the Vendor (or such person(s) as the Vendor may direct); or
 - (B) (if either Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time) the remaining portion of the Balance Purchase Price shall be paid in cash by way of cashier's order(s) or bank draft(s) to the Vendor (or such person(s) as the Vendor may direct);
- (b) if the Unitholders' approval for the proposed issuance of the Consideration Units is not obtained prior to Completion, the Balance Purchase Price shall be paid by the Trustee to the Vendor in cash on Completion (and/or such person(s) as the Vendor may direct) by way of cashier's order(s) or bank draft(s);
 - (c) the Trustee shall withhold the Deferred Payment Sum which shall be paid to the Vendor on the date one (1) year after the Completion Date, subject to any deductions thereof properly made pursuant to the Purchase Agreement; and
 - (b) the Vendor shall deliver to the Trustee on Completion vacant possession of such part(s) of the Property which are not occupied by (i) DSO National Laboratories ("**DSO**") or DNV GL Singapore Pte Ltd. ("**DNVPL**") under the relevant leases or (ii) DSO or DNVPL holding over.

2.5 Lease Management

Upon Completion, the Manager will provide lease management services in respect of the Property.

Under the terms of the lease management agreement entered into between the Manager and the Trustee (the "**Lease Management Agreement**"), the Manager will provide lease management services relating to all properties of Ascendas Reit located in Singapore and the People's Republic of China with effect from 1 October 2012. Upon Completion, the management of the Property will be covered by the Lease Management Agreement and all fees and reimbursements payable to the Manager or its nominees (as the Manager may direct) will be in accordance with the Lease Management Agreement.

2.6 Total Acquisition Cost

The total cost of the Proposed Acquisition (the "**Total Acquisition Cost**") is currently estimated to be approximately S\$437.5 million, comprising:

- (a) the Purchase Price of S\$420.0 million;
- (b) the acquisition fee (the "**Acquisition Fee**") payable in Units to the Manager for the Proposed Acquisition (the "**Acquisition Fee Units**") of S\$4.2 million, being 1.0% of the Purchase Price; and

- (c) the estimated stamp duty, professional and other fees and expenses of approximately S\$13.3 million incurred or to be incurred by Ascendas Reit in connection with the Proposed Acquisition.

2.7 Method of Financing and Financial Effects

The Manager intends to finance the Total Acquisition Cost through:

- (a) the issue of Acquisition Fee Units as the Acquisition Fee;
- (b) internal resources and/or existing debt facilities; and
- (c) save as provided in paragraphs 2.2 and 3.1 of this announcement, S\$100.0 million of the Balance Purchase Price will be satisfied by the issue of the Consideration Units to the Vendor.

Relevant information relating to the pro forma financial effects of the Proposed Acquisition, including its impact on the NAV per Unit, the distribution per Unit, will be disclosed in the Circular.

3. DETAILS OF THE PROPOSED ISSUANCE OF THE CONSIDERATION UNITS

3.1 Partial Payment for the Proposed Acquisition

A sum of S\$100.0 million of the Balance Purchase Price will be satisfied by way of issue of Consideration Units to the Vendor unless either Party issues a Cash Settlement Notice by the Cash Settlement Cut-Off Time.

Both Parties shall have absolute discretion to elect for the full settlement in cash of the sum of S\$100.0 million of the Balance Purchase Price in lieu of the Equity Consideration.

If neither Party issues the Cash Settlement Notice by the Cash Settlement Cut-Off Time, the issue price of the Consideration Units will be determined by the 10-Day VWAP.

The Consideration Units will be issued on the Completion Date.

3.2 Status of the Consideration Units

The Consideration Units will not be entitled to distributions by Ascendas Reit for the period immediately preceding the date of the issue of the Consideration Units, and will only be entitled to receive distributions by Ascendas Reit from the date of their issue to the end of the financial quarter in which the Consideration Units are issued, as well as all distributions thereafter.

Save as set out above, the Consideration Units will, upon issue, rank *pari passu* in all respects with the Units in issue on the day immediately preceding the date of the issue of the Consideration Units.

3.3 Requirement of Unitholders' Approval for the Proposed Issuance of the Consideration Units

As at the date of this announcement, the Vendor has an aggregate direct interest in 476,167,336 Units, which is equivalent to approximately 16.76% of the total number of

Units in issue. Under Rule 812 of the Listing Manual, any issue of Units must not be placed to a substantial unitholder unless Unitholders' approval is obtained.

The proposed issuance of the Consideration Units to the Vendor will constitute an "interested person transaction" under Chapter 9 of the Listing Manual, in respect of which the approval of Unitholders is required.

Accordingly, the Manager will seek the approval of Unitholders by way of an ordinary resolution of the Unitholders for the proposed issuance of the Consideration Units to the Vendor, details of which will be disclosed in the Circular.

The Manager expects to proceed with the Proposed Acquisition and may issue the Consideration Units to the Vendor if approvals for the Proposed Acquisition and issuance of Consideration Units are obtained from Unitholders. In the event that Unitholders' approval for the Proposed Acquisition is obtained but Unitholders' approval for the issue of the Consideration Units is not obtained, the Manager will proceed with the Proposed Acquisition without the issuance of Consideration Units to the Vendor.

4. RATIONALE FOR AND BENEFITS OF THE PROPOSED ACQUISITION AND THE PROPOSED ISSUANCE OF THE CONSIDERATION UNITS

The Manager believes that the Proposed Acquisition and the proposed issuance of the Consideration Units will bring the following key benefits to Unitholders:

4.1 The Proposed Acquisition is in line with Ascendas Reit's investment strategy

The Proposed Acquisition is in line with the Manager's aims to deliver predictable distributions and to enhance the value of Ascendas Reit's property portfolio over time through, *inter alia*, selectively acquiring additional properties that meet the Manager's investment criteria. The Proposed Acquisition is in line with the Manager's investment strategy, which includes making value-adding investments comprising development as well as acquisition of income-producing properties with strong underlying real estate fundamentals to deliver long-term sustainable distributions and capital stability to Unitholders.

4.2 Enables Ascendas Reit to capitalise on the competitive strengths of the Property

4.2.1 Strategic location and good connectivity

The Property is located within Singapore Science Park 1, off South Buona Vista Road, a well-established location for research & development companies. It is within walking distance to Kent Ridge MRT station and public transport facilities are readily available along Science Park Drive. The Property is only a few minutes' drive to West Coast Highway and Ayer Rajah Expressway, which facilitates access from the Property to other parts of Singapore.

4.2.2 Strengths of the Property

Properties with more than 60 years land lease tenure are rare given JTC Corporation's ("**JTC**") policy to shorten industrial land lease tenures. The Property is not subject to any anchor tenant policy and sublet constraints imposed by JTC and thus allows for more leasing flexibility. In addition, upfront land premium for the remaining land lease term has been fully paid.

The Property is relatively new with a weighted average building age of 2 years. The

design and layout is functional and efficiently designed for typical business park occupants.

4.3 Complements and enhances Ascendas Reit's market share in the overall business and science park sector in Singapore

The Proposed Acquisition will reinforce Ascendas Reit's presence and market share in the overall business and science park sector. With the addition of the Property, Ascendas Reit will increase its total gross floor area in the business and science park sector in Singapore from 743,363 sq m to 822,234 sq m. This positions Ascendas Reit's portfolio to cater to the higher value-add industries in Singapore.

4.4 Provides increased exposure to high quality tenants and income stability

Following the Proposed Acquisition, Ascendas Reit will benefit from the addition of two high quality tenants, DSO and DNVPL. DSO is Singapore's national defence research & development organisation and its customers include various Singapore ministries and statutory boards. DNVPL is a world-leading classification society and risk management company with approximately 15,000 employees operating in over 100 countries.

The leases have built-in rental escalations of 2.2% to 2.5% per annum and long weighted average lease expiry of 16.5 years. This will improve the stability and predictability of earnings of Ascendas Reit.

4.5 Further aligns the Vendor's interest with that of Ascendas Reit and its minority Unitholders

The Vendor is a controlling Unitholder of Ascendas Reit. Accordingly, in the event that the Manager proceeds with the proposed issuance of the Consideration Units to the Vendor, this will further align the interests of the Vendor with that of Ascendas Reit and its minority Unitholders. Consideration Units (if issued) allows Ascendas Reit to better manage its capital structure and create more debt headroom for future growth.

5. AUDIT COMMITTEE STATEMENT

The Audit Committee of the Manager will obtain an opinion from Deloitte & Touche Corporate Finance Pte. Ltd., which has been appointed as the independent financial adviser, on the Proposed Acquisition and the proposed issuance of the Consideration Units before forming its view, which will be disclosed in the Circular, as to whether the Proposed Acquisition and the proposed issuance of the Consideration Units are on normal commercial terms and are not prejudicial to the interests of Ascendas Reit and its minority Unitholders.

6. OTHER INTERESTED PERSON TRANSACTIONS

As at the date of this announcement, the value of all interested person transactions (including the Proposed Acquisition) entered into between Ascendas Reit and the Vendor during the course of the current financial year (including the Proposed Acquisition) is approximately S\$420.2 million (which is approximately 7.3% of the NTA and NAV of Ascendas Reit as at 31 March 2016).

As at the date of this announcement, the value of all interested person transactions of Ascendas Reit (including the Proposed Acquisition) for the current financial year is S\$425.9 million (which is approximately 7.4% of the NTA and NAV of Ascendas Reit as at 31 March

2016).

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the date of this announcement, certain director(s) of the Manager collectively hold an aggregate direct and indirect interest in 138,100 Units. Further details of the interests in Units of Directors and Substantial Unitholders are set below.

Directors

Based on the Register of Directors' Unitholdings maintained by the Manager and save as disclosed in the table below, none of the Directors currently holds a direct or deemed interest in the Units as at the date of this announcement:

Name of Directors	Direct Interest		Deemed Interest		Total No. of Units held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		
Mr Koh Soo Keong	-	-	-	-	-	-
Mr Miguel Ko	-	-	-	-	-	-
Mr Manohar Khiatani	-	-	-	-	-	-
Mr Chan Pengee, Adrian	-	-	-	-	-	-
Mr Teo Choon Chye, Marc	26,000	0.001	-	-	26,000	0.001
Mr Wong Yew Meng	-	-	-	-	-	-
Ms Chong Chiet Ping	-	-	-	-	-	-
Ms Lim Sau Hoong	-	-	-	-	-	-
Mr Lim Hock San	-	-	-	-	-	-
Mr Chia Nam Toon	112,100	0.004	-	-	112,100	0.004

Note:

(1) The percentage is based on 2,840,490,794 Units in issue as at the date of this announcement.

Substantial Unitholders

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Manager, the Substantial Unitholders of Ascendas Reit and their interests in the Units as at the date of this announcement are as follows:

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total No. of Units held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		
Ascendas Land (Singapore) Pte Ltd	476,167,336	16.76	-	-	476,167,336	16.76

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total No. of Units held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		
Ascendas Pte Ltd ⁽²⁾	-	-	536,831,074	18.90	536,831,074	18.90
Ascendas-Singbridge Pte. Ltd. ⁽²⁾	-	-	536,831,074	18.90	536,831,074	18.90
TJ Holdings (III) Pte. Ltd. ⁽²⁾	-	-	536,831,074	18.90	536,831,074	18.90
Glenville Investments Pte. Ltd. ⁽²⁾	-	-	536,831,074	18.90	536,831,074	18.90
Mawson Peak Holdings Pte. Ltd. ⁽²⁾	-	-	536,831,074	18.90	536,831,074	18.90
Bartley Investments Pte. Ltd. ⁽²⁾	-	-	536,831,074	18.90	536,831,074	18.90
Tembusu Capital Pte. Ltd. ⁽²⁾	-	-	537,849,074	18.94	537,849,074	18.94
Temasek Holdings (Private) Limited ⁽²⁾	-	-	562,842,004	19.81	562,842,004	19.81
JTC ⁽²⁾	-	-	536,831,074	18.90	536,831,074	18.90
BlackRock, Inc. ⁽³⁾	-	-	145,080,313	5.11	145,080,313	5.11
The PNC Financial Services Group, Inc. ⁽⁴⁾	-	-	145,080,313	5.11	145,080,313	5.11
Mondrian Investment Partners Limited ⁽⁵⁾	-	-	227,837,468	8.02	227,837,468	8.02

Notes:

- (1) The percentage is based on 2,840,490,794 Units in issue as at the date of this announcement.
- (2) Temasek Holdings (Private) Limited, Tembusu Capital Pte. Ltd., Bartley Investments Pte. Ltd., Mawson Peak Holdings Pte. Ltd., Glenville Investments Pte. Ltd., TJ Holdings (III) Pte. Ltd., Ascendas-Singbridge Pte. Ltd., JTC and Ascendas Pte Ltd are deemed interested in the Units held by the Vendor and the Manager. Temasek Holdings (Private) Limited is also deemed to have an interest in the Units in which other subsidiaries of Temasek Holdings (Private) Limited hold or have deemed interests.
- (3) BlackRock, Inc. is deemed interested in the Units held by its subsidiaries.
- (4) The PNC Financial Services Group is deemed interested in the Units held by BlackRock, Inc. subsidiaries.
- (5) Mondrian Investment Partners Limited is deemed interested in the Units held by its subsidiaries and associates.

Save as disclosed above and based on information available to the Manager as at the date of this announcement, none of the Directors or the Substantial Unitholders have an interest, direct or indirect, in the Proposed Acquisition.

8. OTHER INFORMATION

8.1 Directors' Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the Proposed Acquisition or any other transactions contemplated in relation to the Proposed Acquisition.

8.2 Disclosure under Rule 1010(13) of the Listing Manual

Chapter 10 of the Listing Manual governs the acquisition or divestment of assets, including options to acquire or dispose of assets, by Ascendas Reit. Such transactions are classified into the following categories: (a) non-discloseable transactions; (b) discloseable transactions; (c) major transactions; and (d) very substantial acquisitions or reverse takeovers, depending on the size of the relative figures computed on, *inter alia*, the following bases of comparison set out in Rules 1006(b), 1006(c) and 1006(d) of the Listing Manual:

- (i) the net profits attributable to the assets acquired, compared with Ascendas Reit's net profits;
- (ii) the aggregate value of the consideration given, compared with Ascendas Reit's market capitalisation; and
- (iii) the number of Units issued by Ascendas Reit as consideration for an acquisition, compared with the number of Units previously in issue.

The relative figures for the Proposed Acquisition using the applicable bases of comparison described above are set out in the table below.

	Percentage
Rule 1006(b)	
Net profits attributable to the assets acquired compared to Ascendas Reit's net profits	5.2% ⁽¹⁾
Rule 1006(c)	
Aggregate value of consideration to be given compared with Ascendas Reit's market capitalisation	6.3% ⁽²⁾
Rule 1006(d)	
Number of units to be issued by Ascendas Reit as consideration for an acquisition compared with the number of units previously in issue	1.5% ⁽³⁾

Notes:

- (1) Based on Ascendas Reit's annualised unaudited financial accounts for the financial period from 1 April 2016 to 30 September 2016.
- (2) This figure is based on Ascendas Reit's volume weighted average price of 2.3492 per Unit on 2 December 2016, being the market day preceding the date of this announcement.
- (3) This figure is based on the issue price of S\$2.3492 per Consideration Unit, assuming S\$100.0 million of the Purchase Price is satisfied by the issue of new Consideration Units, and the number of Units in issue as at 2 December 2016, being the day immediately prior to the entry into of the Put and Call Option Agreement.

The Manager is of the view that the Proposed Acquisition is in the ordinary course of Ascendas Reit's business as the Proposed Acquisition is within Ascendas Reit's investment

policy and does not change Ascendas Reit's risk profile. As such, the Proposed Acquisition should therefore not be subject to Chapter 10 of the Listing Manual. However, as the Proposed Acquisition constitutes an "interested person transaction" under Chapter 9 of the Listing Manual and an "interested party transaction" under the Property Funds Appendix which value exceeds the relevant thresholds under the Listing Manual and the Property Funds Appendix, the Proposed Acquisition will still be subject to the specific approval of Unitholders.

8.3 Documents for inspection

Copies of the Put and Call Option Agreement (which contains the form of the Purchase Agreement) and the independent valuation reports of ETC and Knight Frank are available for inspection during normal business hours at the registered office of the Manager⁴ at 1 Fusionopolis Place, #10-10 Galaxis, Singapore 138522 for a period of three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

Ascendas Funds Management (S) Limited

(Company Registration No. 200201987K)

(as manager of Ascendas Real Estate Investment Trust)

Mary Judith de Souza

Company Secretary

5 December 2016

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Prior appointment with the Manager will be appreciated.

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

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

This announcement 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, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.