



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

## ANNOUNCEMENT

### A-REIT'S PROPOSED ACQUISITIONS OF NINE PROPERTIES WORTH S\$271.7 MILLION

#### 1. INTRODUCTION

##### 1.1 The Proposed Acquisitions

Ascendas-MGM Funds Management Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**A-REIT**”), has identified Techview, Techquest, LogisHub@Clementi, Hoya Building, Hamilton Sundstrand Building, Thales Building, Cityneon Design Centre, NNB Industrial Building and SENKEE Logistics Hub (comprising two stages of which stage 2 is an asset enhancement), (together, the “**Properties**” and each a “**Property**”) for acquisition by A-REIT (the “**Proposed Acquisitions**”) at an aggregate purchase price of S\$271.7 million.

In connection with the Proposed Acquisitions, HSBC Institutional Trust Services (Singapore) Limited, as trustee of A-REIT (the “**Trustee**”), has entered into separate conditional put and call option agreements (together, the “**Option Agreements**” and each an “**Option Agreement**”), with the respective owners of the Properties.

Under each of the Option Agreements:

- 1.1.1 the vendors have granted to the Trustee the relevant call options which, if exercised by the Trustee, shall constitute a binding contract for the sale and purchase of the relevant Property between the Trustee and the relevant vendor on the terms of the Purchase Conditions appended to the relevant Option Agreement; and
- 1.1.2 the Trustee has granted to the Vendors the relevant put options which, if exercised by the relevant vendor, shall constitute a binding contract for the sale and purchase of the relevant Property between the Trustee and the relevant vendor on the terms of the Purchase Conditions appended to the relevant Option Agreement.

Each sale and purchase agreement entered into pursuant to an Option Agreement shall be hereinafter referred to as the “**Purchase Agreement**” and together, referred to as the “**Purchase Agreements**”.

## 1.2 Disclosure Requirements Under the Listing Manual

The Manager is making this announcement because six of the Proposed Acquisitions will constitute interested person transactions under Chapter 9 of the Listing Manual of Singapore Securities Exchange Trading Limited (“**SGX-ST**”) and interested party transactions under the Property Funds Guidelines (the “**Property Funds Guidelines**”) in the Code of Collective Investment Schemes issued by the Monetary Authority of Singapore.

As at the date of this Announcement, Ascendas Pte Ltd holds an aggregate indirect interest in 240,264,211 units in A-REIT (“**Units**”), comprising approximately 20.65% of the total number of Units in issue, and is therefore regarded as a “controlling unitholder” of A-REIT under the Listing Manual as well as the Property Funds Guidelines. Ascendas Pte Ltd is also a related corporation of the Manager. As a controlling unitholder as well as a related corporation of the Manager, Ascendas Pte Ltd is regarded as an “interested person” of A-REIT for the purposes of Chapter 9 of the Listing Manual as well as an “interested party” (as defined in the Property Funds Guidelines) of A-REIT.

A-REIT is acquiring Hoya Building and Techquest from Ascendas Land (Singapore) Pte Ltd (“**Ascendas Land**”). Ascendas Land is a wholly-owned subsidiary of Ascendas Pte Ltd and is a related corporation of the Manager (both being subsidiaries of Ascendas Pte Ltd) and is also a “controlling unitholder” of A-REIT by virtue of the 231,559,613 Units, comprising approximately 19.90% of the total number of Units on issue, that it holds as at the date of this Announcement. As such, Ascendas Land is regarded as an “interested person” (as defined in the Listing Manual) as well as an “interested party” (as defined in the Property Funds Guidelines) of A-REIT.

A-REIT is acquiring Hamilton Sundstrand Building, LogisHub@Clementi and Thales Building from Ascendas (Tuas) Pte Ltd (“**Ascendas Tuas**”). Ascendas Tuas is a wholly-owned subsidiary of Ascendas Land which is both a related corporation of the Manager and also a “controlling unitholder” of A-REIT. As such, Ascendas Tuas is regarded as an “interested person” (as defined in the Listing Manual) as well as an “interested party” (as defined in the Property Funds Guidelines) of A-REIT.

A-REIT is acquiring Techview from Ascendas (KB View) Pte Ltd (“**Ascendas KBV**”). Ascendas KBV is a wholly-owned subsidiary of Ascendas Land which is both a related corporation of the Manager and also a “controlling unitholder” of A-REIT. As such, Ascendas KBV is regarded as an “interested person” (as defined in the Listing Manual) as well as an “interested party” (as defined in the Property Funds Guidelines) of A-REIT.

## 2. INFORMATION ON THE PROPERTIES

### 2.1 Techview

Techview is owned by Ascendas KBV. Techview is located at 1 Kaki Bukit View and is easily accessible by the Pan-Island Expressway (“**PIE**”). Completed in 1998, the property comprises a five-storey building, with a total net lettable area of approximately 36,912 sqm and has a parking capacity of approximately 500 parking lots. The total gross floor area is 50,985 sqm on a land area of 22,516 sqm (both subject to survey).

The multi-tenanted property with an occupancy rate of 87.0%, has existing tenants which include IBM Singapore Pte Ltd, Amkor Technology Singapore Pte Ltd, Rohde & Schwarz Systems & Communications Asia Pte Ltd and Edwards Lifesciences (S) Pte Ltd. Ascendas KBV will provide A-REIT with a rental guarantee for two years, over the vacant space.

## **2.2 Techquest**

Techquest is owned by Ascendas Land. Techquest is located at 7 International Business Park, which is in close proximity to the Ayer Rajah Expressway (“**AYE**”) and is set within the neighbourhood of buildings tenanted by companies like Creative, Acer and M1.

The property comprises a five-storey building, with a total net lettable area of approximately 6,266 sqm (subject to survey). The multi-tenanted building with a current occupancy rate of 72.0% has existing tenants which include Scandent Group, Sonic Singapore, Blueprint Impex & YKK AP Singapore. Ascendas Land will provide A-REIT with a rental guarantee for two years, over the vacant space and leases expiring in the current financial year ending 31 March 2006.

## **2.3 LogisHub@Clementi**

LogisHub@Clementi is owned by Ascendas Tuas. LogisHub@Clementi is located in No. 2 Clementi Loop and is in close proximity to the PIE. The property comprises a four-storey warehouse with ancillary office space, with a total net lettable area of approximately 22,419 sqm (subject to survey).

The multi-tenanted property, with an occupancy rate of 53.0%, has existing tenants which include John Wiley & Sons (Asia) Pte Ltd, Arrow Electronics Asia (S) Pte Ltd and Hub Distributors Pte Ltd. Ascendas Tuas will provide A-REIT with a rental guarantee for two years, over the vacant space and leases expiring in the current financial year ending 31 March 2006.

## **2.4 Hoya Building**

Hoya Building is owned by Ascendas Land. Hoya Building is located at 455A Jalan Ahmad Ibrahim and is well served by the AYE. Hoya Building is leased to Hoya Medical Singapore Pte Ltd, which is part of Hoya Group, Japan's first specialty manufacturer of optical glass established in 1941. The group has continued to grow as a global enterprise through the expansion of its diverse business activities, which encompass electro-optics, photonics, vision care, healthcare and crystal products.

The property comprises a two-storey building, with a total net lettable area of approximately 5,092 sqm (subject to survey).

## **2.5 Hamilton Sundstrand Building**

Hamilton Sundstrand Building is owned by Ascendas Tuas. Hamilton Sundstrand Building is under construction and will be leased to Hamilton Sundstrand Pacific Aerospace Pte Ltd upon completion of construction expected to be in October 2005. Hamilton Sundstrand, a subsidiary of United Technologies Corporation, is among the largest global suppliers of technologically advanced aerospace and industrial products.

Developed by Ascendas, the building is made up of a single storey factory with mezzanine and a single-storey ancillary office. The property is located along Changi North Rise and is adjacent to Thales Building. The total gross floor area of Hamilton Sundstrand Building is 17,737 sqm on a land area of 30,965 sqm (both subject to survey).

## **2.6 Thales Building**

Thales Building is owned by Ascendas Tuas. Thales Building is situated along Changi North Rise Road and is adjacent to Hamilton Sundstrand Building.

Thales Building comprises a three-storey industrial building and its sole tenant is Thales Avionics Asia Pte Ltd, which is one of the world's largest professional electronics groups, serving the defence, aerospace and security markets. The total gross floor area of the property is 6,248 sqm on a land area of 10,159 sqm (both subject to survey). The construction of the property is expected to be completed by January 2006.

## **2.7 Cityneon Design Centre**

Cityneon Design Centre is owned by Cityneon Displays (S) Pte Ltd ("**Cityneon**") and is located at 84 Genting Lane within the Kallang/MacPherson Industrial Area. It is well served by MacPherson Road and enjoys close proximity to PIE.

The property comprises a seven-storey (including one level of covered carparks) light industrial development with ancillary offices. The building currently has an occupancy rate of 97.8%. Its anchor tenants include Cityneon, Peak Resources Pte Ltd and Pigeon Singapore Pte Ltd who make up 60.1% of the total net lettable space.

The total gross floor area is 11,917 sqm on a land area of 4,776 sqm (both subject to survey).

Cityneon was founded in 1956 and has been providing event and exhibition services for almost 50 years. Headquartered in Singapore with a staff strength of 230, Cityneon serves its international clients through a global network of fully-owned offices, associates and strategic partners, delivering events and exhibitions across the Americas, Europe, Middle East, Asia and the Far East.

## **2.8 NNB Industrial Building**

NNB Industrial Building is owned by Ng Nam Bee Marketing Pte Ltd ("**NNB**") and is located at 10 Woodlands Link, on the northern part of Singapore and within Woodlands East Industrial Estate. It is readily accessible to the city by Bukit Timah Expressway, Kranji Expressway and Seletar Expressway.

The property comprises a three-storey warehouse within designated food zone. The total gross floor area is 11,537 sqm on a site area of 8,282 sqm (both subject to survey).

The sole tenant occupying 100% of the net lettable area is NNB, a local company involved in the processing of rice, trading and distribution of rice and other edible products.

## 2.9 SENKEE Logistics Hub

SENKEE Logistic Hub is owned by SENKEE Logistics Pte Ltd (“**SENKEE**”). Stage 1 of the SENKEE Logistics Hub is located at 21 Pandan Avenue and stage 2 which is an asset enhancement, will be sited at 19 Pandan Avenue. Pandan Avenue is served by the nearby AYE. The stage 1 property comprises a five-storey ramp up logistics facility with direct loading and unloading facilities at the doorstep and total gross floor area of 41,658 sqm (subject to survey).

Construction of the stage 2 asset enhancement will commence within 24 months from the completion of stage 1 and will comprise an additional five-storey ramp up warehouse facility. The expected estimated gross floor area will be 43,000 sqm (subject to survey). It is expected to be completed within 12 months.

SENKEE was first established as a sole proprietorship in 1958 and was converted into a private company in 1970. The principal activities of the company are providing third party land and sea logistics.

### Summary of property information

Property	Appraised Value (\$ million)	Purchase Price (\$ million)	Property Yield Before Costs FY2005/06 (%)	Rental Escalation	Lease Tenure (Years)	Land Area (sqm)	Net Lettable Area (sqm)	Major Tenants	Asset Class	Land Lease Expiry
Techview	76.0	76.0	7.2	N.A.	Multi-tenanted Building	22,516	36,912	Amkor Technology Singapore, IBM Singapore, Saleslink International & Rohde & Schwarz Support Centre Asia Ltd	Hi-Tech Industrial	8-Jul-56
Techquest	7.5	7.5	7.4	N.A.	Multi-tenanted Building	6,506	6,266	Scandent Group, Sonic Singapore, Blueprint Impex & YKK AP Singapore	Business Park	15-Jun-55
LogisHub@ Clementi	18.1	18.1	8.0	N.A.	Multi-tenanted Building	23,529	22,419	John Wiley & Sons (Asia) Pte Ltd, Arrow Electronics Asia (S) Pte Ltd and Hub Distributors Pte Ltd	Logistics & Distribution Centres	15-May-53
Hoya Building	5.3	5.3	11.2	N.A.	10	6,451	5,092	Hoya Medical Singapore Pte Ltd	Light Industrial	15-May-33
Hamilton Sundstrand Building	31.0	31.0	7.7 <sup>(1)</sup>	stepped rental increases p.a.	12	30,965	16,837	Hamilton Sundstrand Pacific Aerospace Pte Ltd	Light Industrial	28-Feb-65
Thales Building	5.8	5.8	8.1	stepped rental increases p.a.	10	10,159	6,049	Thales Avionics Asia Pte Ltd	Light Industrial	30-Jun-47
Cityneon Design Centre	10.0	10.0	8.4	N.A.	Multi-tenanted Building	4,776	9,726	Cityneon Displays (S) Pte Ltd, Peak Resources Pte. Ltd. and Pigeon Singapore Pte. Ltd.	Light Industrial	30-Nov-39
NNB Industrial Building	12.0	12.0	8.3	stepped rental increases p.a.	10	8,282	9,794	Ng Nam Bee Marketing Pte Ltd	Light Industrial	15-Jan-56
SENKEE Logistics Hub	Stage 1: 42.3 Stage 2: N.A. <sup>(2)</sup>	Stage 1: 42.3 Stage 2: 63.8	7.2 <sup>(3)</sup>	stepped rental increases p.a.	Stage 1: 10	30,874	Stage 1: 28,421 Stage 2: GFA 43,000	SENKEE Logistics Pte Ltd	Logistics & Distribution Centres	31-Jan-49 <sup>(4)</sup>
<b>Total/ Weighted Average</b>	<b>207.9</b>	<b>271.7</b>	<b>7.6%</b>			<b>144,058</b>	<b>184,516</b>			

#### Notes:

(1) The specialized air-conditioning M&E equipment of Hamilton Sundstrand Building (of S\$5.95 million) has not been included in this computation as it will be recorded in the balance sheet as a fixed asset and depreciated in line with tax depreciation rates.

- (2) Valuation excludes SENKEE's stage 2 asset enhancement as it has not been constructed yet.
- (3) Property yield is based on purchase price and net property income of stage 1 of SENKEE Logistics Hub. Stage 2 is expected to provide a similar yield.
- (4) Conditional upon JTC Corporation ("JTC") granting a 15-year option.

### 3. Value of the Properties

The Properties are valued in accordance with the instructions issued by the Trustee. All valuations were prepared using the income and discounted cash flow methods as well as the direct comparison (where available) and replacement cost methods of valuation. The purchase price of each Property was arrived at on a willing-buyer and willing-seller basis based on the valuation reports and taking into account the individual merits of the Properties.

The valuation, the purchase price and the date of valuation of each of the Properties are set out in the table below:

<b>Property</b>	<b>Valuation (S\$ million)</b>	<b>Purchase Price (S\$ million)</b>	<b>Date of Valuation / Valuer</b>
<b>Techview</b>	76.0	76.0	18 July 2005 by DTZ Debenham Tie Leung (SEA) Pte Ltd ("DTZ")
<b>Techquest</b>	7.5	7.5	18 July 2005 by DTZ
<b>LogisHub@Clementi</b>	18.1	18.1	18 July 2005 by DTZ
<b>Hamilton Sundstrand Building</b>	31.0	31.0	18 July 2005 by DTZ
<b>Hoya Building</b>	5.3	5.3	18 July 2005 by Jones Lang LaSalle Property Consultants Pte Ltd ("JLL")
<b>Thales Building</b>	5.8	5.8	18 July 2005 by DTZ
<b>SENKEE Logistics Hub</b>	42.3	42.3 <sup>(1)</sup>	1 April 2005 by DTZ
<b>Cityneon Design Centre</b>	10.0	10.0	18 July 2005 by JLL
<b>NNB Industrial Building</b>	12.0	12.0	6 July 2005 by CB Richard Ellis (S) Pte Ltd
<b>Total</b>	<b>207.9</b>	<b>207.9<sup>(1)</sup></b>	

Note:

- (1) This does not take into consideration the stage 2 asset enhancement of SENKEE Logistics Hub.

#### **4. CERTAIN PRINCIPAL TERMS OF THE PROPOSED ACQUISITIONS**

The principal terms of the Option Agreements and the Purchase Agreements can be found in the Appendix to this Announcement.

#### **5. RATIONALE AND BENEFIT OF THE PROPOSED ACQUISITIONS TO A-REIT**

The Manager aims to achieve distribution growth and to enhance the value of A-REIT's property portfolio over time through, *inter alia*, selectively acquiring additional properties that meet the Manager's investment criteria. The Proposed Acquisitions will be in line with the investment strategy of the Manager as it is currently expected that the Properties will be accretive to A-REIT's distributable income.

#### **6. METHOD OF FINANCING AND FINANCIAL EFFECTS OF THE PROPOSED ACQUISITIONS**

6.1 The purchase of the Properties may be funded through additional borrowings or by issuing new equity or a combination of both. The Manager is currently reviewing various financing alternatives as well as the optimal level of gearing for A-REIT for the Proposed Acquisitions. The Manager will advise A-REIT's unitholders ("**Unitholders**") of the proposed funding method as soon as it has been finalised and provide information relating to the financial effects of the proposed acquisition, such as the net property income which will be attributable to the Property as well as the impact of the proposed acquisition on the net asset value per Unit, the distribution per Unit and A-REIT's gearing.

6.2 The pro forma financial effect of the Proposed Acquisitions on A-REIT's distributable income per Unit for the financial year ended 31 March 2005 is 0.43 cents assuming that:

- A-REIT had purchased, held and operated the Properties as well as other properties acquired since the start of A-REIT's current financial year, for the whole of the financial year ended 31 March 2005;
- the Properties had been funded using the optimal gearing level of 30% debt and 70% equity; and
- the structure of the Manager's management fees as described in paragraph 9.2 below had been in place for the whole financial year.

#### **7. AUDIT COMMITTEE STATEMENT**

PricewaterhouseCoopers Corporate Finance Pte Ltd has been appointed the independent financial adviser to the independent directors of the Manager and the Trustee ("**IFA**"). The members of the audit committee of the Manager entitled to vote on the Proposed Acquisitions (which comprise the independent directors of the Manager) will form their view after obtaining the opinion of the IFA on whether the Proposed Acquisitions are on normal commercial terms and are not prejudicial to the interests of A-REIT and its minority Unitholders. Their view will be disclosed in a circular to be issued to the Unitholders in due course.

## **8. OTHER INTERESTED PERSON TRANSACTIONS**

As at 26 July 2005, the value of the interested person transactions between A-REIT and Ascendas Pte Ltd and/or its associates for the current financial year up to 26 July 2005 (being the latest practicable date prior to the date of this Announcement) was S\$5,714,666. These transactions comprised all of A-REIT's interested person transactions during the current financial year (till 26 July 2005). SGX-ST has previously advised the Manager that S\$5,672,912 of these transactions does not fall within Rules 905 and 906 of the Listing Manual because the fee basis of these transactions was fully disclosed in the A-REIT prospectus dated 5 November 2002 issued in connection with the initial public offering of Units.

## **9. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS**

Save as disclosed herein and based on information available to the Manager, none of the directors of the Manager and none of the substantial Unitholders of A-REIT has any interest, direct or indirect, in the Proposed Acquisitions.

## **10. OTHER INFORMATION**

### **10.1 Directors' Service Contracts**

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

### **10.2 Mode of Payment of Management Fees**

As sanctioned by an extraordinary resolution of the Unitholders passed at an extraordinary general meeting held on 2 November 2004, the Manager may in relation to each new property acquired by A-REIT, irrevocably elect at any time to receive its base fee ("**Base Fee**") and performance fee ("**Performance Fee**") payable under A-REIT's trust deed in the form of cash and/or Units.

In respect of each of the Properties to be acquired, the Manager hereby elects to receive its Base Fee entirely in cash and its Performance Fee entirely in Units

### **10.3 Disclosure Under Rule 1010(13) of the Listing Manual**

10.3.1 Pursuant to Chapter 10 of the SGX-ST's Listing Manual, the Proposed Acquisitions collectively constitute a major transaction based on the relative figures computed on the following bases applicable thereto:

- (a) the profits attributable to the Properties, compared with A-REIT's net profits; and
- (b) the aggregate value of the consideration to be given, compared with A-REIT's market capitalisation.



- 10.3.1** Based on A-REIT's audited financial statements for the financial year ended 31 March 2005, the relative figure for the basis of comparison set out in sub-paragraph 10.3.1(a) is 16.84%.
- 10.3.2** Based on the aggregate purchase price of S\$271.7 million of the Properties and A-REIT's market capitalisation as at 21 July 2005 (being the latest practicable date prior to the date of this Announcement), the relative figure for the basis of comparison set out in sub-paragraph 10.3.1(b) is 9.94%.
- 10.3.3** Under Rule 1013 of the SGX-ST's Listing Manual, where any of the relative figures computed on, *inter alia*, the bases set out in paragraph 9.3.1 above in relation to a proposed transaction by A-REIT exceeds 20.0%, the transaction is regarded as a major transaction. Rule 1014 of the Listing Manual further provides that a major transaction must be made conditional upon approval by Unitholders in a general meeting. In respect of acquisitions by A-REIT of income-producing business park (including science park), hi-tech industrial, light industrial, logistics and distribution centres and other similar sorts of properties, however, the Manager has obtained a ruling from the SGX-ST that such acquisitions do not fall within Rule 1013 of the Listing Manual and, as such, the Proposed Acquisitions are not subject to Unitholders' approval. Nonetheless, the Proposed Acquisitions of the six Properties that constitute interested person transactions and interested party transactions will still be subject to Unitholders' approval.

#### **10.4 Documents for Inspection**

Copies of the following documents are available for inspection during normal business hours (upon appointment) at the registered office of the Manager at 75 Science Park Drive, #01-03 CINTech II, Singapore 118255, for a period of three months commencing from the date of this Announcement:

**10.4.1** the valuation reports on the Properties;

**10.4.2** the Option Agreements; and

**10.4.3** the Sale and Purchase Agreements (as appended to the respective Option Agreements).

BY ORDER OF THE BOARD

ASCENDAS-MGM FUNDS MANAGEMENT LIMITED

(Company Registration No. 200201987K)

(as manager of Ascendas Real Estate Investment Trust)

Tay Hsiu Chieh

Company Secretary

27 July 2005

## **Important Notice**

This Announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, 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. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

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 their Units while the Units are listed. 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.

The past performance of A-REIT is not necessarily indicative of the future performance of A-REIT.

## **APPENDIX**

### **A. Principal Terms of the Option Agreements**

#### **1. Techview**

Under the Option Agreement relating to Techview, the right of the Trustee to exercise its call option and the right of Ascendas KBV, to exercise its put option, in both cases to require the other party to enter into the Purchase Agreement, are conditional upon the fulfilment of, *inter alia*, the following conditions (unless having been waived by the Trustee in writing) by the Target Date (as defined in the Option Agreement):

- (a) the approval of Unitholders given at an extraordinary general meeting of the Unitholders to be convened by the Trustee for the acquisition;
- (b) A-REIT securing sufficient financing to undertake the acquisition of Techview and the agreements for such financing have not been terminated and being unconditional in all respects; and
- (c) the Trustee serving written notice on Ascendas KBV not later than four weeks after the date of the Option Agreement or such other period as the Trustee and Ascendas KBV may agree upon acting reasonably and having regard to the circumstances that it is satisfied on inspection and investigation as to the results of its due diligence on the Property and the existing tenancy agreements.

#### **2. Techquest**

Under the Option Agreement relating to Techquest, the right of the Trustee to exercise its call option and the right of Ascendas Land, to exercise its put option, in both cases to require the other party to enter into the Purchase Agreement, are conditional upon the fulfilment of, *inter alia*, the following conditions by the Target Date (as defined in the Option Agreement):

- (a) the approval of Unitholders given at an extraordinary general meeting of the Unitholders to be convened by the Trustee for the acquisition;
- (b) A-REIT securing sufficient financing to undertake the acquisition and the agreements for such financing have not been terminated and being unconditional in all respects
- (c) the Trustee serving written notice on Ascendas Tuas not later than four weeks after the date of the Option Agreement or such other period as the Trustee and Ascendas Land may agree upon acting reasonably and having regard to the circumstances that it is satisfied on inspection and investigation as to the results of its due diligence on the Property and the existing tenancy agreements.

#### **3. LogisHub@Clementi**

Under the Option Agreement relating to LogisHub@Clementi, the right of the Trustee to exercise its call option and the right of Ascendas Tuas, to exercise its put option, in both

cases to require the other party to enter into the Purchase Agreement, are conditional upon the fulfilment of, *inter alia*, the following conditions by the Target Date (as defined by the Option Agreement):

- (a) the approval of Unitholders given at an extraordinary general meeting of the Unitholders to be convened by the Trustee for the acquisition;
- (b) A-REIT securing sufficient financing to undertake the acquisition and the agreements for such financing have not been terminated and being unconditional in all respects; and
- (c) the Trustee serving written notice on Ascendas Tuas not later than four weeks after the date of the Option Agreement or such other period as the Trustee and Ascendas Tuas may agree upon acting reasonably and having regard to the circumstances that it is satisfied on inspection and investigation as to the results of its due diligence on the Property and the existing tenancy agreements.

#### **4. Hamilton Sundstrand Building**

Under the Option Agreement relating to Hamilton Sundstrand Building, the right of the Trustee to exercise its call option and the right of Ascendas Tuas to exercise its put option, in both cases to require the other party to enter into the Purchase Agreement, are conditional upon the fulfilment of, *inter alia*, the following conditions (unless having been waived by the Trustee in writing) by the Target Date (as defined in Option Agreement):

- (a) the approval of Unitholders given at an extraordinary general meeting of Unitholders to be convened by the Trustee for the acquisition;
- (b) A-REIT securing sufficient financing to undertake the acquisition and the agreements for such financing have not been terminated and being unconditional in all respects;
- (c) the issuance of the TOP for Hamilton Sundstrand Building;
- (d) the signing of the lease between Ascendas Tuas and Hamilton Sundstrand Pacific Aerospace Pte Ltd as the tenant;
- (e) signing of the JTC agreement for lease by JTC and Ascendas Tuas; and
- (f) the signing of the lease novation agreement between the Trustee, Ascendas Tuas and Hamilton Sundstrand Pacific Aerospace Pte Ltd.

#### **5. Hoya Building**

Under the Option Agreement relating to Hoya Building, the right of the Trustee to exercise its call option and the right of Ascendas Land, to exercise its put option, in both cases to require the other party to enter into the Purchase Agreement, are conditional upon the fulfilment of, *inter alia*, the following conditions by the Target Date (as defined in the Option Agreement):

- (a) the approval of the Unitholders given at an extraordinary general meeting of the Unitholders to be convened by the Trustee for the acquisition; and
- (b) A-REIT securing sufficient financing by the Target Date to undertake the acquisition and the agreements for such financing have not been terminated and being unconditional in all respects.

## **6. Thales Building**

Under the Option Agreement relating to Thales Building, the right of the Trustee to exercise its call option and the right of Ascendas Tuas to exercise its put option, in both cases to require the other party to enter into the Purchase Agreement, are conditional upon the fulfilment of, *inter alia*, the following conditions (unless having been waived by the Trustee in writing) by the Target Date (as defined by the Option Agreement):

- (a) the approval of Unitholders given at an extraordinary general meeting of Unitholders to be convened by the Trustee for the acquisition;
- (b) A-REIT securing sufficient financing to undertake the acquisition and the agreements for such financing have not been terminated and being unconditional in all respects;
- (c) the issuance of the TOP for Thales Building;
- (d) the signing of the lease between Ascendas Tuas and Thales Avionics Asia Pte Ltd as the tenant;
- (e) signing of the JTC agreement for lease by JTC and Ascendas Tuas;
- (f) signing of the lease novation agreement between Ascendas Tuas, the Trustee and Thales Avionics Asia Pte Ltd; and
- (g) the Trustee and Ascendas Tuas reaching an agreement on the provisions of the Thales Asset Enhancement Agreement<sup>1</sup>.

## **7. Cityneon Design Centre**

Under the Option Agreement relating to Cityneon Design Centre, the right of the Trustee to exercise its call option and the right of Cityneon, to exercise its put option, in both cases to require the other party to enter into the Purchase Agreement, are conditional upon the fulfilment of, *inter alia*, the following conditions by the Target Date (as defined in the Option Agreement):

---

<sup>1</sup> The agreement relates to the construction, completion and handover of the additional floor area at the land which Ascendas Tuas is required to construct under the lease agreement between Ascendas Tuas and Thales Avionics Pte Ltd as the tenant.

- (a) A-REIT securing sufficient financing to undertake the acquisition and the agreements for such financing have not been terminated and being unconditional in all respects and A-REIT completing due diligence on the Property;
- (b) the acceptance and compliance of both Cityneon and the Trustee with the terms and conditions of the JTC Approvals (as defined in the Option Agreement) which are applicable to or imposed upon Cityneon or the Trustee respectively; and
- (c) Cityneon obtaining the JTC Lease Approvals (as defined in the Option Agreement).

#### **8. NNB Industrial Building**

Under the Option Agreement relating to NNB Industrial Building, the right of the Trustee to exercise its call option and the right of NNB, to exercise its put option, in both cases to require the other party to enter into the Purchase Agreement, are conditional upon the fulfilment of, *inter alia*, the following conditions by the Target Date (as defined in the Option Agreement):

- (a) A-REIT securing sufficient financing to undertake the acquisition and the agreements for such financing have not been terminated, are clear and unambiguous and are not contingent in any respect whatsoever;
- (b) the acceptance and compliance of both NNB and the Trustee with the terms and conditions of the JTC Approvals as set out in the JTC Consent letter (as defined in the Option Agreement) which are applicable to or imposed upon NNB or the Trustee respectively; and
- (c) NNB obtaining the JTC Lease (as defined in the Option Agreement).

#### **9. SENKEE Logistics Hub**

Under the Option Agreement relating to SENKEE Logistics Hub, the right of the Trustee to exercise its call option and the right of SENKEE, to exercise its put option, in both cases to require the other party to enter into the Purchase Agreement, are conditional upon the fulfilment of, *inter alia*, the following conditions by the Target Date (as defined in the Option Agreement):

- (a) the Trustee obtaining the JTC Approvals (as defined in the Option Agreement) on terms and conditions satisfactory in all respects to the Trustee; and
- (b) SENKEE obtaining, at its own cost and expense, the JTC Lease duly executed by JTC and SENKEE and which shall be duly stamped.

## **B. Principal Terms of the Purchase Agreements**

### **1. Techview**

**Consideration:** The purchase price of Techview is S\$76.0 million and may be satisfied partly in cash and partly by the issue of consideration units (subject to the Unitholders' approval being obtained). This price was arrived at on a willing-buyer and willing-seller basis and is supported by the valuation report dated 18 July 2005 issued by DTZ.

### **2. Techquest**

**Consideration:** The purchase price of Techquest is S\$7.5 million and will be wholly satisfied in cash. This price was arrived at on a willing-buyer and willing-seller basis and is supported by the valuation report dated 18 July 2005 issued by DTZ.

### **3. LogisHub@Clementi**

**Consideration:** The purchase price of LogisHub@Clementi is S\$18.1 million and will be wholly satisfied in cash. This price was arrived at on a willing-buyer and willing-seller basis and is supported by the valuation report dated 18 July 2005 issued by DTZ.

### **4. Hoya Building**

**Consideration:** The purchase price of Hoya Building is S\$5.3 million and will be wholly satisfied in cash. This price was arrived at on a willing-buyer and willing-seller basis and is supported by the valuation report dated 18 July 2005 issued by JLL.

### **5. Hamilton Sundstrand Building**

**Consideration:** The purchase price of Hamilton Sundstrand Building is S\$31.0 million and will be wholly satisfied in cash. This price was arrived at on a willing-buyer and willing-seller basis and is supported by the valuation report dated 18 July 2005 issued by DTZ.

### **6. Thales Building**

**Consideration:** The purchase price of Thales Building is S\$5.8 million and will be wholly satisfied in cash. This price was arrived at on a willing-buyer and willing-seller basis and is supported by the valuation report dated 18 July 2005 issued by DTZ.

The building is currently under construction and is expected to be completed by January 2006.

### **7. Cityneon Design Centre**

**Consideration:** The purchase price of Cityneon Design Centre is S\$10.0 million and will be wholly satisfied in cash. This price was arrived at on a willing-buyer and willing-seller basis and is supported by the valuation report dated 18 July 2005 issued by Jones Lang LaSalle Property Consultants Pte Ltd.

**8. NNB Industrial Building**

**Consideration:** The purchase price of NNB Industrial Building is S\$12.0 million and will be wholly satisfied in cash. This price was arrived at on a willing-buyer and willing-seller basis and is supported by the valuation report dated 6 July 2005 issued by CB Richard Ellis (S) Pte Ltd.

**9. SENKEE Logistics Hub**

**Consideration:** The purchase price of SENKEE Logistics Hub is S\$106.1 million and will be wholly satisfied in cash. The SENKEE Logistics Hub comprises two stages - where stage 1 is a completed property and stage 2 is asset enhancement of an estimated gross floor area of 43,000 sqm (subject to survey). This price was arrived at on a willing-buyer and willing-seller basis. Stage 1 property's purchase price is supported by the valuation report dated 1 April 2005 issued by DTZ.