



DBS Asia Hub 2



2-34 Aylesbury Drive



ONE@Changi City

# Extraordinary General Meeting

28 June 2016



## Australia holding structure

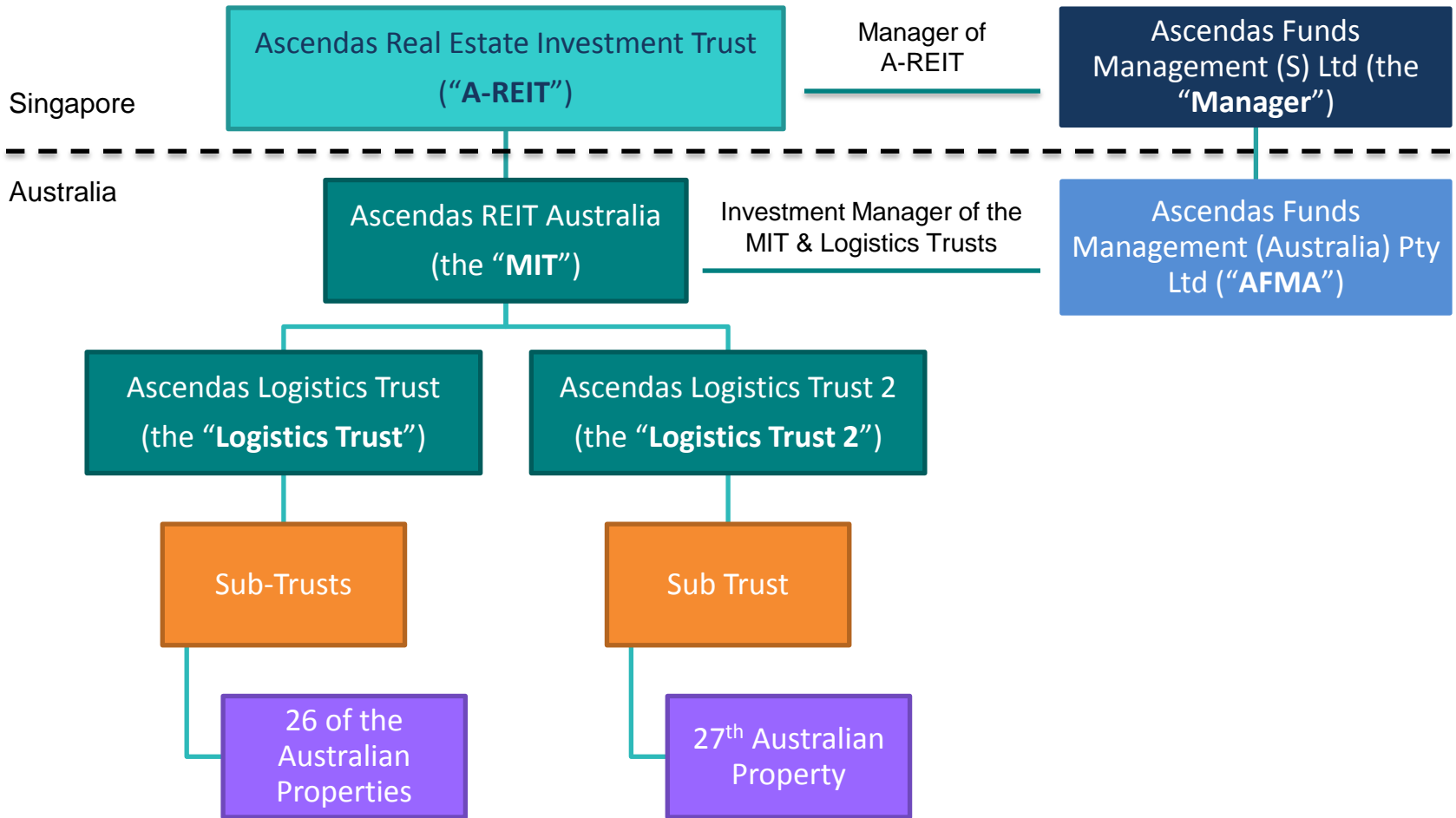
Summary of approval sought

Rationale and benefits

Principal terms of the New Agreements

# Australia Holding Structure

The following diagram depicts an abridged version of A-REIT’s holding structure for its 27 Australian properties (the “**Australian Properties**”):



# Agenda

Australia holding structure

**Summary of approval sought**

Rationale and benefits

Principal terms of the New Agreements

# Summary of Approval Sought

To seek the approval from Unitholders by way of an Ordinary Resolution in respect of the proposed entry into the New Strategic Management Agreement and New Master Asset Management Agreement

# Agenda

Australia holding structure

Summary of approval sought

**Rationale and benefits**

Principal terms of the New Agreements

# Rationale and Benefits

- Arrangement is similar to the structure adopted by the Manager for the management of A-REIT's properties in Singapore and China.
- Ensure that there will be active engagement with tenants by the Manager (through AFMA) to facilitate their growth and expansion needs to maximise the satisfaction of tenants.
- Ensure that there will be supervision of the third-party licensed real estate agents which will be providing the property management services in respect of the Australian Properties.
- The interests of the Manager, AFMA and A-REIT are aligned.
- Ensure that A-REIT is well-supported by the experienced and professional management team of AFMA, the Manager and the Ascendas-Singbridge group of companies.



# Rationale and Benefits

- Good Corporate Governance
  - Unitholders' approval is required for transactions entered into with the same interested person during the same financial year that is equal to or exceeds 5.0% of A-REIT's latest audited net tangible assets ("NTA").
  - Estimated transaction value of the New Agreements over the duration of the term is S\$4.7 million (equivalent to 0.1% of NTA).
  - Manager is seeking Unitholder's approval for purpose of good corporate governance, even though the transaction value is below the threshold



# Agenda

Australia holding structure

Summary of approval sought

Rationale and benefits

**Principal terms of the New Agreements**

# Principal Terms of the New Agreements

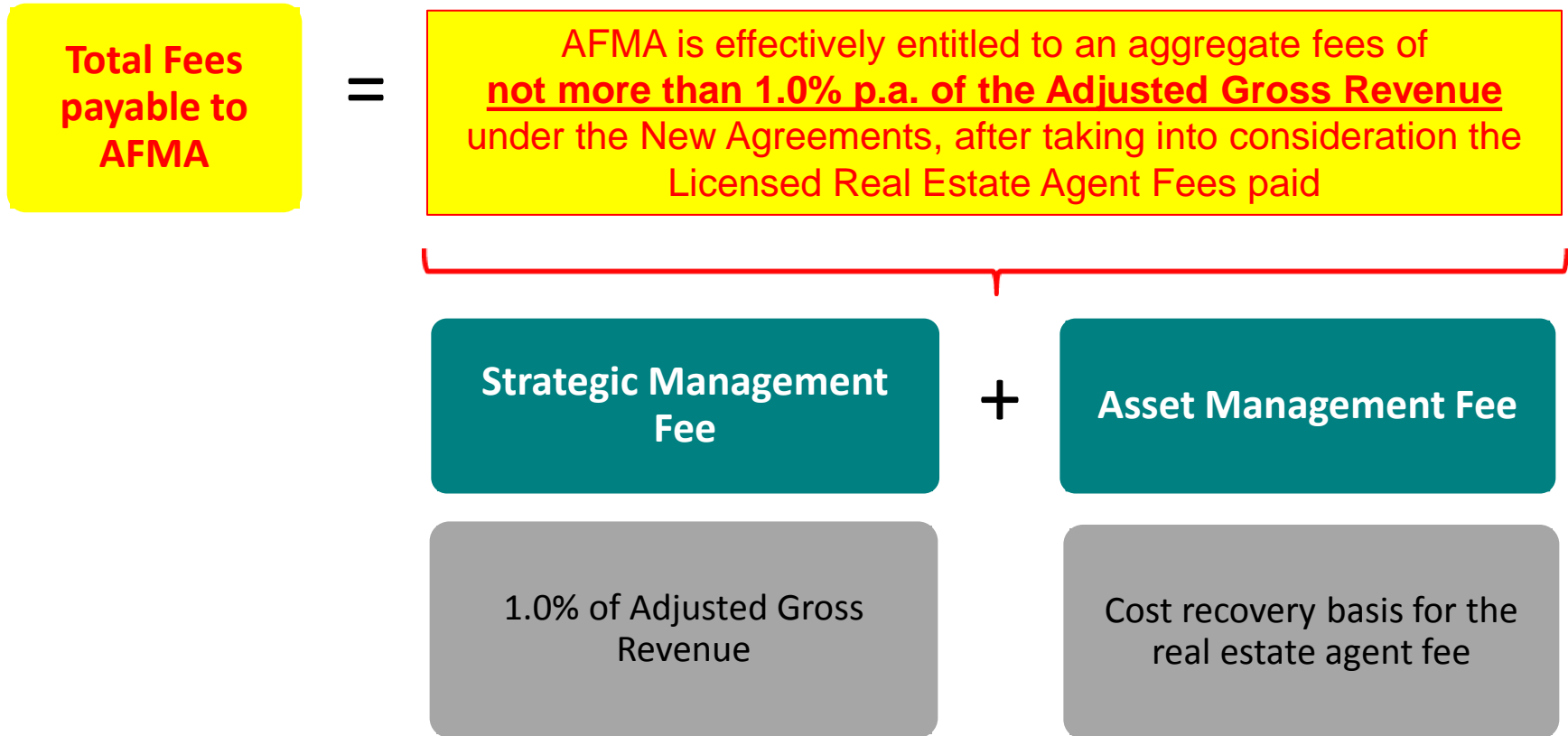
<b>The New Strategic Management Agreement</b>	
<b>Term</b>	<ul style="list-style-type: none"> <li>• 17 November 2016 to 30 September 2022</li> </ul>
<b>Scope of Strategic Management Services</b>	<ul style="list-style-type: none"> <li>• providing strategic management in relation to the Australian Properties</li> <li>• supervising and providing instructions to the third-party licensed estate agents</li> <li>• provide contract administration functions in relation to the various property management agreements</li> </ul>
<b>Other principal terms</b>	<ul style="list-style-type: none"> <li>• in furtherance of the New Strategic Management Agreement, AFMA will enter into the New Master Asset Management Agreement;</li> <li>• AFMA may delegate, at its own costs, the Strategic Management Services to a related company (the “AFMA Delegate”). AFMA shall maintain overall management and supervision and shall remain responsible for all acts and omissions of the AFMA Delegate.</li> </ul>

# Principal Terms of the New Agreements

<b>The New Master Asset Management Agreement</b>	
<b>Term</b>	<ul style="list-style-type: none"> <li>• 17 November 2016 to 30 September 2022</li> </ul>
<b>Scope of Asset Management Services</b>	<ul style="list-style-type: none"> <li>• AFMA shall perform the asset management services, including to retain the services of one or more licensed real estate agents</li> <li>• To administer such property management contract(s) with the licensed real estate agents,</li> <li>• To lease the Australian Properties</li> </ul>
<b>Other principal terms</b>	<ul style="list-style-type: none"> <li>• AFMA, the Logistics Trust / Logistics Trust 2 and the Sub Trusts shall enter into individual asset management agreements in relation to each Property managed by AFMA</li> <li>• AFMA may delegate, at its own costs, the Asset Management Services to a AFMA Delegate and AFMA shall remain responsible for all acts and omissions of the AFMA Delegate.</li> </ul>

# Principal Terms of the New Agreements

## Total Fees payable to AFMA under the New Agreements



# The End

## **Important Notice**

This presentation has been prepared by Ascendas Funds Management (S) Limited as Manager for Ascendas Real Estate Investment Trust. The details in this presentation provide general information only. It is not intended as investment or financial advice and must not be relied upon as such. You should obtain independent professional advice prior to making any decision. This presentation is not an offer or invitation for subscription or purchase of securities or other financial products. Past performance is no indication of future performance. All values are expressed in Singaporean currency unless otherwise stated.