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

ANNOUNCEMENT

Annual General Meeting to be held on 28 April 2023:
Responses to Substantial and Relevant Questions

CapitaLand Ascendas REIT Management Limited, the manager of CapitaLand Ascendas REIT ("**CLAR**", and the manager of CLAR, the "**Manager**") would like to thank all Unitholders who submitted their questions in advance of CLAR's Annual General Meeting ("**AGM"**) to be held in a **wholly physical format** at Pan Pacific Singapore, Pacific 2 & 3, Level 1, 7 Raffles Boulevard, Marina Square, Singapore 039595 on Friday, 28 April 2023 at 3.00 p.m..

Please refer to our responses to these substantial and relevant questions in **Annex A**.

The Manager's Chief Executive Officer, Mr William Tay, will deliver a presentation to Unitholders at the AGM.

Following the conclusion of the AGM, the results of the AGM will be uploaded on SGXNet and made available on CLAR's website. The minutes of the AGM will be published on CLAR's website before 27 May 2023.

BY ORDER OF THE BOARD

CapitaLand Ascendas REIT Management Limited
(Registration Number: 200201987K)
As manager of CapitaLand Ascendas REIT

Michelle Koh
Company Secretary
27 April 2023

Important Notice

The past performance of CLAR is not indicative of future performance. The listing of the units in CLAR ("Units") on the Singapore Exchange Securities Trading Limited (the "SGX-ST") does not guarantee a liquid market for the Units. The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, CLARML or any of its affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that CLARML redeem or purchase their Units while the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST.

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

ANNEX A

1.	**A. The aggregate valuation of the portfolio of 11 Europe data centres as at 31 December 2022 was S$728.5 million. This is a decline of over 20% based on the purchase consideration of S$904.6 million in March 2021. Why did the valuations decrease? Was it due to poor underlying performance?** **B. Accordingly, what is the Manager's current assessment of the 11 Europe data centres acquisition? Would it affect CLAR's acquisition strategy of data centres in Europe?**
	Response: **A. Portfolio of 11 Data Centres in the UK/Europe** As at 31 December 2022, occupancy rate remained high at 97.9% (31 December 2021: 97.9%). Demand for our data centres is strong. We would like to highlight that two leases were renewed at higher rental rates of about 30% for a long lease term of about 12 years in 2H 2022. These renewals will boost the data centre portfolio's revenue contribution in FY2023 and extend the weighted average lease to expiry (WALE) to 4.6 years (FY2021: 3.9 years). Valuations for the data centres declined in FY2022 due to a combination of factors, including changing macro-economic conditions and adverse currency movements. In local currency terms, valuations of the data centres declined by about 10.5% and 11.6% in Europe and in the UK respectively. This was due the higher capitalisation rates assumed by the valuers to account for the higher risk-free rates. After converting from Pound Sterling and Euro to Singapore Dollars, the total valuation of the data centre portfolio was S$728.5 million, 19.2% lower than the previous valuation of S$901.5 million as at 31 December 2021. However, the effects of any adverse exchange rate fluctuations on CLAR's Net Asset Value (NAV) are minimised as we have put in place a high level of natural hedge of 74% for CLAR's total overseas investment of S$6.3 billion. Specifically in Europe, our investment of €0.3 billion (approximately S$0.4 billion) is fully hedged with a Euro-denominated bond which has a remaining tenor of 5+ years. **B. Acquisition Strategy of Data Centres** The prospects for the data centre business remain strong, driven by the secular trend of digitalisation of the global economy (such as cloud computing, data storage requirements, e-commerce, and video streaming services) which continues to propel demand for data centres. Consequently, we continue to be confident of the key European data centre markets. They have strong underlying fundamentals such as low vacancy rates, stable rental growth and increasing take-up by large technology market players i.e., Microsoft, Google, TikTok, NTT, Amazon, the sector remains resilient. We will continue to look for good opportunities to expand our data centre portfolio.

2.	**The valuations of 100 Wickham Street and 108 Wickham Street in Brisbane, Australia were S$64.6 million and S$80.3 million, respectively as at 31 December 2022. These are lower than their respective purchase considerations of S$90.3 million and S$109.0 million in 2017. Why did the valuations decrease? Was it due to poor underlying performance?**
	Response: 100 and 108 Wickham Street generated a steady gross revenue of about S$14-15 million p.a. Last year, both properties achieved higher occupancy rates of 92.6% (31 December 2021: 79.9%) and 98.5% (31 December 2021: 97.1%) respectively. Over the last five years, valuations of the two properties have fluctuated due to currency movements. Both properties were impacted by the weaker AUD against SGD to 0.9028 as at 31 December 2022 (31 December 2021: 0.9942). Notwithstanding the above, CLAR's Assets Under Management (AUM) remained stable at S$16.4 billion, underpinned by a well-diversified and multi-asset portfolio in Singapore (62% or S$10.1 billion), the US (15% or S$2.5 billion), Australia (14% or S$2.3 billion) and the UK/Europe (9% or S$1.5 billion).
3.	**The valuations of The Triangle in West Midlands, United Kingdom (UK) and Common Road in East Midlands, UK as at 31 December 2022 were S$20.7 million and S$32.5 million, respectively. These are lower than their respective purchase considerations of S$48.15 million and S$54.5 million in 2018. Why did the valuations decrease so sharply? Was it due to poor underlying performance?**
	Response: Demand for logistics properties in the UK remained robust given the high e-commerce penetration rate of about 36%. As at 31 December 2022, the Triangle in West Midlands and Common Road in East Midlands are fully occupied. The Triangle in West Midlands and Common Road in East Midlands each generated a full-year gross revenue of S$2.6 million and S$2.5 million respectively for FY2022. The decrease in valuation for both properties was due to a combination of factors, including changing macro-economic conditions and adverse currency movements. The valuers had assumed higher capitalisation rates to account for higher risk-free rates and other factors. The cap rates movement is expected to normalise over the course of the property cycle and upon the renewal of tenancies. Valuations of the two properties have also fluctuated due to currency movements. As at 31 December 2022, the exchange rate of GBP/SGD weakened to 1.6264 (31 December 2021: 1.8153) which resulted in lower valuations of S$20.7 million for The Triangle and S$32.5 million for Common Road. However, CLAR's AUM remained stable at S$16.4 billion, underpinned by a well-diversified and multi-asset portfolio in Singapore (62% or S$10.1 billion), the US (15% or S$2.5 billion), Australia (14% or S$2.3 billion) and the UK/Europe (9% or S$1.5 billion).

	Although the valuation of the logistics properties is subject to currency fluctuations and is marked to market on an annual basis, the demand for logistics properties is expected to be driven by supply chain optimisation and increased e-commerce adoption. We manage our portfolio actively to drive value creation and deliver income resilience for unitholders.
4.	**The occupancy rates at 35 Tampines Street 92 and 30 Tampines Industrial Avenue 3 were zero as at 31 December 2022. What are the Manager's plans to fill up these spaces?**
	Response: **35 Tampines Street 92, Singapore** We are pleased to update that 35 Tampines Street 92 has been fully leased to a single occupier in the e-commerce industry a few months ago. The tenant has signed a long lease term with us. **30 Tampines Industrial Avenue 3, Singapore** 30 Tampines Industrial Avenue 3 is a two-storey high-specifications building that is suitable for the semiconductor industry or occupiers looking for a built-to-suit solution. Currently, several prospects have been identified for the entire net lettable space of 9,593 sqm and the leasing team is currently engaging them.
5.	**What are your plans to further optimise existing properties?**
	Response: There are five on-going projects worth S$617.4 million that are undergoing development, redevelopment, AEI, and convert-to-suit to improve the returns of the existing portfolio. For example, in Singapore, we are redeveloping 1 Science Park Drive together with CapitaLand Development. When completed in 2Q 2025, the new 1 Science Park Drive will cater to tenants in the new economy sectors such as biomedical sciences, digital and technology, which continues to expand in Singapore amidst a greater focus on healthcare, deep technology and accelerating digital transformation. On a stabilised basis, the investment is expected to generate a net property income yield of approximately 6.3%, creating more value for Unitholders. In the US, 6055 Lusk Boulevard in San Diego is being converted from an office space to a cutting-edge, high-performance, and LEED Gold-certified life sciences building for NASDAQ-listed Crinetics Pharmaceuticals. The new life sciences property will be outfitted with new mechanical, electrical and plumbing (MEP) systems, roof, windows, and interior improvements, which include state-of-the-art laboratories, office, and vivarium spaces. The US$40 million convert-to-suit is expected to be completed in 4Q 2023. Net property income is expected to improve to approximately 9%.

	Besides AEIs and redevelopment, we continue to drive growth by divesting mature properties and redeploying the proceeds into higher-yielding opportunities. In this regard, we recently announced the divestment of KA Place in Singapore, a high-specifications industrial building, for S$35.38 million. KA Place was sold at a 55% premium over its market valuation. We continuously assess our portfolio and evaluate opportunities for organic growth to further optimise our returns.