



## CAPITALAND ASCENDAS REIT

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

### MINUTES OF THE ANNUAL GENERAL MEETING OF THE UNITHOLDERS OF CAPITALAND ASCENDAS REIT HELD AT BIG PICTURE THEATRE, LEVEL 9, CAPITAL TOWER, 168 ROBINSON ROAD, SINGAPORE 068912 AND USING VIRTUAL MEETING TECHNOLOGY ON FRIDAY, 26 APRIL 2024 AT 3.00 P.M.

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#### **Present**

Unitholders/Proxies : As per attendance list maintained by CapitaLand Ascendas REIT Management Limited, the manager of CapitaLand Ascendas REIT (“CLAR”) (the “Manager”)

#### **In Attendance**

Board of Directors of the Manager :  
Dr Beh Swan Gin : Chairman and Non-Executive Independent Director  
Mr William Tay : Chief Executive Officer and Executive Non-Independent Director  
Mr Manohar Khiatani : Non-Executive Non-Independent Director and Chairman of the Investment Committee  
Mr Daniel Ee : Non-Executive Independent Director and Chairman of the Audit and Risk Committee  
Mr Chinniah Kunnasagaran : Non-Executive Independent Director  
Ms Maureen Ong : Non-Executive Independent Director  
Ms Choo Oi Yee : Non-Executive Independent Director  
Mr Andrew Lim : Non-Executive Non-Independent Director

Company Secretary of the Manager : Ms Michelle Koh  
Mr Hon Wei Seng

Management Team of the Manager :  
Ms Koo Lee Sze : Chief Financial Officer  
Ms Yeow Kit Peng : Head, Capital Markets & Investor Relations  
Mr Ram Soundararajan : Head, Investment  
Mr James Goh : Head, Portfolio Management<sup>1</sup>  
Mr Dacon Pao : Head, Business Development

#### **Others**

Representative of HSBC Institutional Trust Services (Singapore) Limited (as trustee of CLAR) : Ms Christine Png  
Representatives of Ernst & Young LLP (as auditors for CLAR) : Mr Christopher Wong  
Mr Tan Boon Leong  
Representative of Deloitte & Touche LLP (as incoming auditors for CLAR) : Mr Patrick Tan Hak Pheng  
Representatives of Allen & Gledhill LLP (as legal counsel for CLAR) : Mr Jerry Koh Keen Chuan  
Mr Teh Hoe Yue

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<sup>1</sup> Present remotely

(These minutes should be read with Appendix A which records the questions posed and answers given during the meeting.)

## 1. WELCOME AND INTRODUCTION OF THE PANEL

- 1.1. Ms Andrea Ng (Investor Relations), the emcee for the meeting (the “**Emcee**”), welcomed the unitholders and proxies present at the Annual General Meeting (“**AGM**” or the “**Meeting**”) of CapitaLand Ascendas REIT (“**CLAR**”) on behalf of the Manager and HSBC Institutional Trust Services (Singapore) Limited, the trustee of CLAR (the “**Trustee**”).
- 1.2. The Emcee provided a safety briefing to all in attendance. The Emcee then introduced Dr Beh Swan Gin, Chairman & Non-Executive Independent Director of the Manager (“**Chairman**”) to the unitholders.
- 1.3. Chairman greeted the unitholders and informed all present that in accordance with paragraph 6 of the Schedule to the trust deed (as amended) constituting CLAR, he had been nominated by the Trustee to preside as the Chairman of the AGM. Chairman then introduced the members of the Board of Directors and Senior Management of the Manager, as well as other key parties to the unitholders.
- 1.4. On behalf of the Manager, Chairman thanked all unitholders for taking time to attend the AGM.
- 1.5. Chairman noted that the AGM is being held both physically and using virtual meeting technology to provide unitholders more options to attend and participate in the AGM. Unitholders who were not present physically were able to attend, ask questions and vote at the AGM.

## 2. QUORUM

Chairman noted that a quorum was present, and he declared the AGM open at 3.09 p.m.

## 3. NOTICE OF AGM

Chairman noted that CLAR’s annual report for FY2023 (the “**Annual Report**”) and the notice dated 2 April 2024 convening the AGM (the “**Notice of AGM**”) had been sent to unitholders and had been in their hands for the prescribed period. Chairman further noted that CLAR’s Annual Report, the Notice of AGM and the appendices (in relation to Resolutions 2 and 4) had been published on SGXNet and on CLAR’s corporate website on 2 April 2024. With the consent of the unitholders, the Notice of AGM was taken as read. Chairman noted that the Manager had received substantial and relevant questions from unitholders over the last few weeks and the responses to those questions had been published on SGXNet and on CLAR’s corporate website. Chairman then invited the CEO to give a presentation on CLAR’s performance for FY2023.

## 4. PRESENTATION BY THE CEO

The CEO delivered his presentation.

*Note: A copy of the CEO’s presentation slides was uploaded to SGXNet after trading hours on 26 April 2024, following the Meeting.*

## 5. VOTING BY ELECTRONIC POLL

- 5.1. In line with Rule 730A(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), the Chairman directed that each of the resolutions set out in the Notice of AGM be decided by way of a poll, and for unitholders attending physically, polling would be conducted in a paperless manner using wireless handheld devices issued to unitholders upon their registration for the AGM. Chairman informed that DrewCorp Services Pte Ltd had been appointed as the scrutineers (“**Scrutineers**”) for the conduct of the poll. For unitholders attending virtually, polling would be conducted through the voting page on the live audio-visual webcast. Virtual attendees were also reminded that they can only vote via the live audio-visual webcast platform, and not the live audio-only stream of the AGM proceedings.
- 5.2. Chairman stated that the Manager would address the substantial and relevant questions received during the AGM at the live question and answer (“**Q&A**”) segment for each agenda item, which would take place after the relevant agenda item has been introduced, explained and proposed. The Chairman invited the polling agent, Boardroom Corporate & Advisory Services Pte. Ltd. (“**Boardroom**”) to explain the procedures for the live voting process.
- 5.3. Boardroom provided separate sets of instructions for physical and virtual attendees and conducted a test poll, before handing the proceedings of the Meeting to the Emcee.
- 5.4. The Emcee then explained that during the Q&A segment before each resolution is put forth for voting, the panel would first address questions from the physical attendees in the Auditorium, followed by the questions from the physical attendees in Satellite Room 1 and lastly, questions from the virtual attendees. Emcee also requested unitholders to adhere strictly to matters that were relevant to the agenda of the AGM and to also limit the questions to a reasonable number and length. Questions which had been previously responded to in the Manager’s responses to substantial and relevant questions dated 22 April 2024, might not be addressed again in the Meeting. Lastly, where substantially similar questions were raised, such questions would be consolidated or might not be revisited again if they had been previously raised by other unitholders participating through different means. The Emcee handed the proceedings of the Meeting back to the Chairman.
- 5.5. Chairman informed the Meeting that some unitholders had appointed him in his capacity as Chairman of the AGM to act as their proxy, and that proxies lodged had been verified and he would be voting in accordance with their specified voting instructions but without the need for him to operate the handheld device manually, as the Scrutineers had confirmed that all such votes had been pre-set in the electronic polling system and would be included in the poll results for the relevant resolution.
- 5.6. Chairman then informed the Meeting that he would, as Chairman and proxy holder for the AGM, propose all the motions to be tabled.
- 5.7. Chairman informed that all the resolutions proposed at the AGM were Ordinary Resolutions and explained that an Ordinary Resolution means a resolution proposed and passed as such by a majority, being greater than 50% of the total number of votes cast for and against such resolution at a general meeting.
- 5.8. Chairman also informed that after each resolution was tabled and before voting commences, he would open the floor to unitholders to pose relevant questions pertaining to the resolution being sought, and that the panellists with him would respond to the questions. Virtual attendees were also invited to submit questions through the live audio-visual webcast.

**6. ORDINARY RESOLUTION 1: TO RECEIVE AND ADOPT THE REPORT OF THE TRUSTEE, STATEMENT BY THE MANAGER AND THE AUDITED FINANCIAL STATEMENTS OF CLAR FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE AUDITORS' REPORT THEREON**

- 6.1. Ordinary Resolution 1 as stated in the Notice of AGM was proposed by Chairman.
- 6.2. A Q&A session followed and was recorded separately in Appendix A to these minutes.
- 6.3. There being no further questions from the unitholders, Chairman announced the commencement of voting for Ordinary Resolution 1.
- 6.4. After electronic polling was conducted on Resolution 1, Boardroom announced the results of the voting as follows:

Ordinary Resolution 1

No. of Votes For	:	2,695,068,839 representing 99.23%
No. of Votes Against	:	20,901,790 representing 0.77%

Chairman declared Ordinary Resolution 1 carried.

**7. ORDINARY RESOLUTION 2: TO APPOINT DELOITTE & TOUCHE LLP AS AUDITORS OF CLAR IN PLACE OF THE RETIRING AUDITORS, ERNST & YOUNG LLP, AND TO AUTHORISE THE MANAGER TO FIX THEIR REMUNERATION**

- 7.1. Ordinary Resolution 2 as stated in the Notice of AGM, with further details stated in the Appendix to unitholders dated 2 April 2024 was proposed by Chairman.
- 7.2. Chairman stated that the Directors had considered the audit and risk committee's recommendations and are satisfied that Deloitte & Touche LLP ("**Deloitte**") will be able to meet the audit requirements of CLAR. Ernst & Young LLP ("**E&Y**") will retire and had not sought re-appointment at this AGM. Deloitte had expressed its willingness to accept appointment.
- 7.3. There being no questions from the unitholders, Chairman announced the commencement of voting for Resolution 2.
- 7.4. After electronic polling was conducted on Resolution 2, Boardroom announced the results of the voting as follows:

Ordinary Resolution 2

No. of Votes For	:	2,755,981,861 representing 99.98%
No. of Votes Against	:	586,991 representing 0.02%

Chairman declared Ordinary Resolution 2 carried.

- 7.5. Before proceeding to the next item on the agenda, Chairman shared that E&Y has been CLAR's auditors since 2016 and the Manager has been satisfied with E&Y's services. However, the Manager found it timely to effect a change of CLAR's auditors as part of CLAR's ongoing good corporate governance initiative.

**8. ORDINARY RESOLUTION 3: TO AUTHORISE THE MANAGER TO ISSUE UNITS IN CLAR AND TO MAKE OR GRANT CONVERTIBLE INSTRUMENTS**

- 8.1. Ordinary Resolution 3 as stated in the Notice of AGM was proposed by Chairman.
- 8.2. There being no questions from the unitholders, Chairman announced the commencement of voting for Resolution 3.
- 8.3. After electronic polling was conducted on Resolution 3, Boardroom announced the results of the voting as follows:

Ordinary Resolution 3

No. of Votes For	:	2,479,183,847 representing 89.98%
No. of Votes Against	:	276,084,600 representing 10.02%

Chairman declared Ordinary Resolution 3 carried.

**9. ORDINARY RESOLUTION 4: TO APPROVE THE RENEWAL OF THE UNIT BUY-BACK MANDATE**

- 9.1. Ordinary Resolution 4 as stated in the Notice of AGM, with further details stated in the Appendix to unitholders dated 2 April 2024 was proposed by Chairman.
- 9.2. A Q&A session followed and was recorded separately in Appendix A to these minutes.
- 9.3. There being no further questions from the unitholders, Chairman announced the commencement of voting for Resolution 4.
- 9.4. After electronic polling was conducted on Resolution 4, Boardroom announced the results of the voting as follows:

Ordinary Resolution 4

No. of Votes For	:	2,725,501,309 representing 98.90%
No. of Votes Against	:	30,389,034 representing 1.10%

Chairman declared Ordinary Resolution 4 carried.

**10. CLOSE OF AGM**

- 10.1. As there was no other business to be transacted at the AGM, Chairman declared the meeting closed and thanked the unitholders for their attendance.
- 10.2. The meeting ended at 4.17 p.m.

Confirmed By:

Dr Beh Swan Gin  
Chairman of AGM

**CAPITALAND ASCENDAS REIT****RECORD OF QUESTIONS RAISED BY UNITHOLDERS AND THE CORRESPONDING ANSWERS FROM THE PANELLISTS DURING THE PROCEEDINGS AT THE ANNUAL GENERAL MEETING OF THE HOLDERS OF UNITS OF CAPITALAND ASCENDAS REIT (“CLAR”) HELD AT BIG PICTURE THEATRE, LEVEL 9, CAPITAL TOWER, 168 ROBINSON ROAD, SINGAPORE 068912 AND USING VIRTUAL MEETING TECHNOLOGY ON FRIDAY, 26 APRIL 2024 AT 3.00 P.M.**1. 2023 AGM Minutes

- 1.1. In response to a unitholder’s query on CLAR’s standard operating procedure for verifying its minutes of meeting, Dr Beh Swan Gin, the Chairman and Non-Executive Independent Director (the “**Chairman**”) explained that CLAR’s minutes of meeting would be reviewed by multiple individuals, including the Chairman himself, before it is approved and published on SGXNet for the unitholders. The Chairman also noted that occasionally, there may be different interpretations on what transpired during the meeting, and the minutes of meeting may not be reflective of everyone’s perspective.
- 1.2. Chairman noted the unitholder’s comment that there was a static data that was extracted incorrectly in CLAR’s minutes of meeting for the annual general meeting held on 28 April 2023 and assured the unitholder that the Manager will be more careful.

*Note: The static data referred to above was the name of a unitholder asking a question during the annual general meeting held on 28 April 2023. The minutes, with the correct name of the unitholder, was uploaded on 22 May 2023.*

2. CLAR’s borrowing costs

- 2.1. Responding to a unitholder’s question on the challenges that CLAR faces from financing its portfolio and on her observation on CLAR’s borrowing cost being close to 4%, in comparison to other REITs which have a borrowing cost at the lower end of 3%, Mr William Tay Wee Leong, the Chief Executive Officer and Executive Non-Independent Director (the “**CEO**”) explained that certain REITs may have invested in certain countries that have lower borrowing costs, hence resulting in lower average cost of debt. However, CLAR has presence across mature markets and these mature markets have similar borrowing costs. The CEO noted that Singapore has a borrowing cost of approximately 4%, and Europe, Australia, and United States (the “**U.S.**”) have borrowing costs of approximately 5% to 6%. The overall weighted average borrowing cost of CLAR is 3.5% for the financial year ended 2023, which corresponds to the borrowing costs of the mature markets CLAR has presence in. The CEO also explained that although there has been a steep increase in borrowing costs over the past two years, the Manager had hedged most of its overseas loans and had committed to a high level of fixed rate loans. Lastly, the CEO also highlighted that the Manager has spread out CLAR’s debt maturity over the next few years, with approximately only 13% to 14% of its loans due for refinancing each year over the next couple of years. Thus, even if interest rate increases, CLAR’s borrowing costs will increase gradually. In turn, this gives the Manager time to manage its operating metrics such as gross revenue and occupancy to mitigate the increase in borrowing costs.

- 2.2. Ms Yeow Kit Peng, Head, Capital Markets & Investor Relations (the “**Head CM&IR**”) added that the differences in a REIT’s borrowing costs may also be attributable to the foreign currencies which a REIT’s debt portfolio is denominated in, the geographical distribution of its debt portfolio, the tenure of its loans, and whether the loans carry fixed interest rates or floating interest rates.
- 2.3. In response to a unitholder’s question regarding CLAR’s anticipated weighted average all-in borrowing cost for financial year ended 2024, assuming that the interest rates remain the same, the Head CM&IR explained that the average all-in borrowing cost for financial year ended 2023, calculated as the average value for January to December, is 3.5% and as interest rate increased throughout 2023, the borrowing cost as at the start of FY2024 is 3.8%. Keeping in mind that CLAR would have to refinance approximately S\$900 million of debt, the Manager is likely to maintain an average borrowing cost at about 4% or lower in FY2024 based on the current benchmark interest rates. That said, this may change if the current benchmark interest rates change drastically.
- 2.4. The CEO added the anticipated weighted average all-in borrowing cost is also based on existing benchmark rate, which stands at 4% to 6% in different countries. Based on the current interest rates, it is likely that CLAR’s borrowing cost will gradually increase each year and reach close to the benchmark rate if it stays unchanged. The CEO explained that while CLAR would not be able to avoid the increase in borrowing cost, the Manager’s strategy is to ensure that the increase will be gradual. The CEO stated that by spreading out CLAR’s debt, the Manager can secure lower interest rates over a longer period. As CLAR has an A3 credit rating, CLAR can secure loans and bonds with tenure ranging from five to seven years or more, instead of three-to-five-year loans with higher interest rates which banks typically offer. The CEO noted that CLAR’s overall operational metrics reflect that CLAR is still growing, which will help mitigate the borrowing costs over time.
- 2.5. Lastly, Chairman stated that the Manager’s strategy is to ensure that CLAR has a well-spread debt maturity profile of no more than 14% to 15% of debt maturing per year in the next few years. Chairman noted that this will help insulate CLAR from large fluctuations in interest rates.

### 3. Performance of some of CLAR’s properties

- 3.1. A unitholder queried on the Manager’s intentions for properties with occupancy rate of less than 50% and whether the Manager has any asset enhancement initiatives planned for such properties. In response, the CEO acknowledged that although there will be some vacancies in CLAR’s portfolio, these may provide CLAR with more opportunities for repositioning or redevelopment. The CEO first addressed the concern with 30 Tampines Industrial Avenue 3, which is a property within the semiconductor and wafer fab park and can only be leased out for semiconductor or related use. The CEO explained that although the property has been vacant, it is observed that interest in the semiconductor industry is picking up. The CEO also shared that there are tenants evaluating the property and the Manager is optimistic about securing a tenant. Alternatively, the Manager could consider demolishing the property and redeveloping it as a built-to-suit facility for semiconductor tenant. Next, the CEO addressed the concern with the International Business Park (“**IBP**”) properties with low occupancy rate. The CEO explained that the Manager has started to redevelop 27 IBP, which was formerly known as iQuest@IBP, and doubled its plot ratio and it will be connected to a mass rapid transit (“**MRT**”) station in Jurong Town Hall. For the other IBP assets, namely, the Acer Building and 31 IBP, the CEO shared that the Manager has plans to redevelop Acer Building and the building will also be directly connected to the upcoming Jurong Town Hall MRT station. The redevelopment of the Acer Building will tentatively start after the completion of 27 IBP. The CEO noted that the

remaining land lease tenure for these properties are more than 30 years, and redeveloping these properties is expected to yield greater value compared to divestment.

4. Growth opportunity in the data centre and life science space

- 4.1. In response to a unitholder's query on whether the Manager has any intention to expand CLAR's portfolio of life sciences and data centre properties, the Chairman first shared that opportunities to develop new data centres in Singapore are limited due to the high level of consumption on energy and water resources. CLAR will consider any opportunities if they are available, but Chairman noted that newly built data centres might be difficult to acquire in Singapore.
- 4.2. The CEO added that any opportunities for data centres will likely be found overseas instead. The CEO explained that Singapore had previously imposed a moratorium on the construction of data centres due to the power demands of such facilities. While there are some countries with moratorium imposed, there are countries such as the United Kingdom and Europe, where new data centres are still being developed. The CEO noted that CLAR acquired a data centre in London last year, which increased its asset under management ("**AUM**") in Europe. The CEO explained that the Manager intends to grow CLAR's portfolio of data centre and life science properties. The largest life science property in Singapore is One Science Park Drive, which spans over one million square feet and CLAR has a stake of 34% in the property. When the development is completed, it will increase CLAR's exposure to life science assets in Singapore.
- 4.3. Mr Manohar Khiatani, Non-Executive Non-Independent Director and Chairman of the Investment Committee (the "**IC Chairman**") added that in relation to the data centre industry, it is indeed not easy to acquire completed properties, as compared to business parks and logistics parks, which have a larger market size. Accordingly, there will be challenges to scale up in the data centre business. IC Chairman shared that the acquisition of the data centre portfolio in Europe was a unique opportunity for CLAR to establish a sizeable portfolio and presence in this asset class. IC Chairman added that there is a data centre asset in Singapore within the CapitaLand group and CLAR will seek to bid and acquire it, when the opportunity arises.
- 4.4. Lastly, Chairman highlighted that in deciding whether to acquire certain properties, the Manager avoids acquiring isolated and standalone properties overseas as such properties will not have the economies of scale in providing facilities management services.
- 4.5. Responding to a unitholder's query on whether CLAR's data centres are designed to take on Artificial Intelligence ("**AI**") workload, Chairman clarified that the decision to invest and take on AI workload lies with the tenants. CLAR provides the real estate space and infrastructure for tenants to operate their data centres, and assuming that there is sufficient power infrastructure to support AI workload, it will be the tenants who decide whether to take on such workload.
- 4.6. Responding to a unitholder's query on whether the Manager intends to expand data centre growth beyond UK, Chairman noted CLAR has data centres in major data centre hubs in Europe, and it acquired the portfolio with the intention to expand beyond UK.
- 4.7. The CEO added that CLAR has data centres in Paris, Amsterdam, Geneva and London, and the Manager will consider expanding its presence in Europe. When expanding, the Manager will consider where tenants are moving towards as well as the availability of power when deciding on its investments.



**5. CLAR's acquisition strategy**

5.1. In response to a unitholder's query on the Manager's strategy in acquiring overseas property, the Chairman explained that the Manager aspires to have a diversified portfolio so that CLAR can stay resilient through different business cycles. The Manager chooses to focus on developed markets, and noted that the U.S. is the deepest and broadest real estate market and thus, it is important for CLAR to have exposure in the U.S.

5.2. The CEO added that the Manager chose to invest in developed overseas markets that have a similar profile as Singapore. These countries generally have similar risk-reward metrics, a very clear rule of law as well as a deep market, and the Manager would be able to enter the market with a meaningful size and scale up fast enough to gain economies of scale. The CEO explained that for instance, in relation to the acquisition of 11 data centres in Europe, the portfolio immediately gave CLAR an opportunity to enter the Europe market and it showed that CLAR is serious about investing in the data centre industry. After which, the Manager had been invited to bid to acquire various data centres, and having this portfolio allowed CLAR to harness economies of scale and employ a good team to manage its data centres. This contributed to CLAR being able to acquire another data centre in London. Next, the CEO also noted that the Manager ensures that the asset classes in overseas markets are similar to that in Singapore, with technology and logistics being the key drivers of the countries which CLAR invests. The CEO is cognisant that there are a lot of innovation in the market now, and when a new industry grows, CLAR's strategy is to look into investing in properties which support this growth. The CEO summarised that therefore, CLAR's strategy of focusing on developed markets and on properties that support the development of technology and logistics, would help to build CLAR into a more resilient REIT.

**6. Reason behind difference in valuation and purchase price for properties in the U.S.**

6.1. A unitholder queried about the difference between the valuation and the purchase price for various business space and life sciences properties and logistics properties in the U.S. In response, the CEO explained that the change in valuations is because capitalisation rate has expanded across all the geographical markets that CLAR has presence in, and this is due to capitalisation rate being co-related to rising interest rates. Nevertheless, the CEO assured unitholders that the quality of CLAR's income remains strong and noted that CLAR's gross revenue has increased 9% year-on-year. Therefore, although CLAR's valuation fluctuates with the business cycles, CLAR has benefitted from acquiring the properties when interest rates were low, and CLAR's properties continue to provide strong revenue.

**7. Unit buy-back mandate**

7.1. In response to a unitholder's query on the decision-making process for exercising the unit buy-back mandate, Chairman stated that the management team of the Manager will propose and recommend a unit buy-back, and the Board of the Manager will give the final approval on whether to exercise the mandate.