



CAPITALAND ASCENDAS REIT

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

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE UNITHOLDERS OF CAPITALAND ASCENDAS REIT HELD AT MARINA BAY SANDS EXPO AND CONVENTION CENTRE, LEVEL 3, BEGONIA MAIN BALLROOM, 10 BAYFRONT AVENUE, SINGAPORE 018956 ON WEDNESDAY, 30 JULY 2025 AT 10.30 A.M.

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 Vinamra Srivastava ¹	Non-Executive Non-Independent Director

Company Secretary of the Manager : 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
Mr Dacon Pao	Head, Business Development

¹ Mr Vinamra Srivastava attended the meeting virtually.

Others

Representative of HSBC Institutional Trust Services (Singapore) Limited (as trustee of CLAR (the “**Trustee**”)) : Ms Jasmine Wong

Representatives of PrimePartners Corporate Finance Pte. Ltd. (as the independent financial adviser (the “**IFA**”)) : Mr Mark Liew, Mr Pang Xu Xian, Ms Nancie Lan and Ms Lai Yan Pink

Representative of Allen & Gledhill LLP (as legal counsel for CLAR) : Mr Teh Hoe Yue

Representative of Dentons Rodyk & Davidson LLP (as legal counsel for the Trustee) : Mr Nicholas Chong

1. INTRODUCTION

- 1.1. Ms Andrea Ng (Investor Relations), the emcee for the meeting (the “**Emcee**”), welcomed the unitholders and proxies present at the Extraordinary General Meeting (“**EGM**” 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 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 the trust deed (as amended) constituting CLAR, he had been nominated by the Trustee to preside as the Chairman of the EGM. 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 welcomed all unitholders to the EGM.

2. QUORUM

Chairman noted that a quorum was present, and he declared the EGM open at 10.36 a.m.

3. NOTICE OF EGM

- 3.1 Chairman noted that the notice dated 11 July 2025 convening the EGM (the “**Notice of EGM**”) had been sent to unitholders and had been in their hands for the prescribed period. Chairman further noted that CLAR’s circular dated 11 July 2025 (the “**Circular**”), the Notice of EGM and the Proxy Form had been published on SGXNet and on CLAR’s corporate website on 11 July 2025. With the consent of the unitholders, the Notice of EGM was taken as read. Chairman noted that the Manager had not received any substantial and relevant questions from unitholders over the last few weeks. Chairman then invited the CEO to give a presentation on the proposed acquisitions of the data centre known as 9 Tai Seng Drive and the business space property known as 5 Science Park Drive (the “**Proposed Acquisitions**”).

4. PRESENTATION BY CEO

The CEO delivered his presentation.

Note: A copy of the CEO's presentation slides was uploaded to SGXNet on 30 July 2025, 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 the resolution set out in the Notice of EGM 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 EGM. Chairman informed that DrewCorp Services Pte Ltd had been appointed as the scrutineers ("**Scrutineers**") for the conduct of the poll and Boardroom Corporate & Advisory Services Pte. Ltd. ("**Boardroom**") had been appointed as polling agent.

5.2 Chairman stated that the Manager would address the substantial and relevant questions received during the EGM at the live question and answer ("**Q&A**") segment for the agenda item, which would take place after the agenda item had been introduced, explained and proposed. The Chairman invited the polling agent, Boardroom, to explain the procedures for the live voting process. Boardroom conducted a test poll, before handing the proceedings of the EGM back to Chairman.

5.3 Chairman informed the Meeting that some unitholders had appointed him in his capacity as Chairman of the EGM 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, and that 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 resolution.

5.4 Chairman then informed the Meeting that he would, as Chairman and proxy holder for the EGM, propose for the motion to be tabled.

5.5 Chairman informed that the resolution proposed at the EGM was an Ordinary Resolution 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.

5.6 Chairman also informed that after the resolution was tabled and before voting commenced, he would open the floor to unitholders to pose relevant questions pertaining to the resolution, and that the panellists with him would respond to the questions.

6. ORDINARY RESOLUTION - THE PROPOSED ACQUISITIONS OF (A) 100.0% OF THE INTEREST IN THE PROPERTY KNOWN AS 9 TAI SENG DRIVE AND (B) 100.0% OF THE INTEREST IN THE PROPERTY KNOWN AS 5 SCIENCE PARK DRIVE, AND ENTRY INTO OTHER TRANSACTIONS IN CONNECTION WITH THE PROPOSED ACQUISITIONS, AS INTERESTED PERSON TRANSACTIONS (THE "RESOLUTION")

- 6.1 Chairman informed unitholders that the advice of PrimePartners Corporate Finance Pte. Ltd., which had been appointed as the IFA pursuant to Rule 921(4)(a) of the Listing Manual as well as to advise the independent directors, the audit and risk committee and the Trustee in relation to the Proposed Acquisitions, as interested person transactions, had been set out in full in Appendix B of the Circular and unitholders were advised to read the IFA letter carefully.

Chairman informed unitholders that CapitaLand Investment Limited and Temasek Holdings (Private) Limited ("**Temasek**") are each a "controlling unitholder" of CLAR and a "controlling shareholder" of the Manager, and both CapitaLand Investment Limited and Temasek would abstain, and would procure that each of its associates abstain, from voting on the Resolution.

For the purposes of good corporate governance, Mr Manohar Khiatani, Mr Vinamra Srivastava and Mr William Tay Wee Leong would also abstain from voting on the Resolution.

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

For		Against	
No. of units	%	No. of units	%
1,983,158,502	99.92	1,683,779	0.08

Chairman declared the Resolution carried.

7. CLOSE OF EGM

- 7.1 As there was no other business to be transacted at the EGM, Chairman declared the meeting closed and thanked the unitholders for their attendance.
- 7.2 The meeting ended at 12.01 p.m.

Confirmed By
Dr Beh Swan Gin
Chairman of EGM

CAPITALAND ASCENDAS REIT

RECORD OF QUESTIONS RAISED BY UNITHOLDERS AND THE CORRESPONDING ANSWERS FROM THE PANELLISTS DURING THE PROCEEDINGS AT THE EXTRAORDINARY GENERAL MEETING OF THE HOLDERS OF UNITS OF CLAR HELD AT MARINA BAY SANDS EXPO AND CONVENTION CENTRE, LEVEL 3, BEGONIA MAIN BALLROOM, 10 BAYFRONT AVENUE, SINGAPORE 018956 ON WEDNESDAY, 30 JULY 2025 AT 10.30 A.M.

Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the circular dated 11 July 2025 titled “The Proposed Acquisitions of (A) 100.0% of the interest in the property known as 9 Tai Seng Drive and (B) 100.0% of the interest in the property known as 5 Science Park Drive, and entry into other transactions in connection with the Proposed Acquisitions, as interested person transactions.” (the “**Circular**”).

GENERAL QUESTIONS RELATING TO THE PROPOSED ACQUISITIONS

1. Transaction Background

- 1.1. A unitholder enquired whether it was CLAR or the seller that initiated the Proposed Acquisitions and whether the IFA and the independent valuers were chosen and appointed through a tender process or other means.
- 1.2. Chairman explained that CapitaLand has a pipeline of assets suitable for injection into its REITs. CapitaLand and CLAR are in close communications and when the opportunity arises for CapitaLand to recycle its capital, they would enter into discussions with CLAR on the potential divestment of such assets.
- 1.3. Mr Manohar Khiatani, Non-Executive Non-Independent Director and Chairman of the Investment Committee (“**Mr Khiatani**”) noted that REITs form an integral part of CapitaLand’s business model and once an asset has matured and is income-generating, CapitaLand would explore opportunities to divest such assets to its REITs. If the REIT and CapitaLand can agree on the purchase, the REIT would acquire the property. Both 9 Tai Seng Drive and 5 Science Park Drive are examples of quality assets that had been developed by CapitaLand and subsequently identified as suitable for divestment to a REIT. Pursuant to which, discussions were entered into between CapitaLand and CLAR to reach a mutually agreeable outcome.
- 1.4. Mr William Tay Wee Leong, the Chief Executive officer and Executive Non-Independent Director (the “**CEO**”) further shared that the Proposed Acquisitions could be considered as off-market transactions where CapitaLand had offered CLAR a “first look” to consider and discuss details relating to the purchase of both assets. The CEO also stated that as the Proposed Acquisitions were interested person transactions, the appointment of an IFA was necessary pursuant to Rule 921(4)(a) of the Listing Manual, as well as to advise the independent directors, the Audit and Risk Committee and the Trustee. Special care was taken to select specialists with data centre expertise for the valuation of 9 Tai Seng Drive. For both the IFA and the independent valuers, the Manager had reviewed three different fee quotations for each appointment, conducted fee comparisons and evaluated their respective competence and experience before making the decisions.

- 1.5. Responding to a unitholder's query on whether CLAR had exercised any right of first refusal in relation to the Proposed Acquisitions, the CEO answered in the negative and explained that the Proposed Acquisitions were a product of negotiations between CapitaLand and CLAR.

2. Method of Financing

- 2.1. A unitholder enquired on the investor profile for the private placement launched on 28 May 2025 (the "**Private Placement**") and asked if the sponsor of CLAR (the "**Sponsor**") or Temasek Holdings (Private) Limited ("**Temasek**") had subscribed for units in the Private Placement.
- 2.2. Chairman and the CEO responded that both the Sponsor and Temasek did not participate in the Private Placement. Most of the investors that participated in the Private Placement were institutional investors, with many new investors subscribing for units.
- 2.3. A unitholder suggested that CLAR launches a preferential offering instead when raising funds through equity in the future, to reduce the dilutive effect of a private placement to retail investors' unitholding interests.
- 2.4. Chairman explained that as the amount raised from the Private Placement was not a large amount, a preferential offering was not considered as it would result in odd lots for many participating unitholders. For smaller offerings, a private placement would be more efficient. For larger offerings, the Manager would desire to offer units to all of CLAR's unitholders.
- 2.5. A unitholder enquired on CLAR's financing strategy, specifically on the approach towards balancing fixed rate loans and floating rate loans.
- 2.6. Ms Yeow Kit Peng, Head, Capital Markets & Investor Relations ("**Ms Yeow**") shared that CLAR had been tapping on more short-term financing options to take advantage of their lower interest rates compared to long-term financing options. In relation to the Proposed Acquisitions, the Manager would be securing loans to pay for the balance costs after receiving the approval of unitholders at the EGM. Ms Yeow observed that the benchmark rates in Singapore had decreased significantly compared to the start of the year. Furthermore, CLAR had been able to secure a very tight spread. Ms Yeow shared that it is likely that the actual DPU accretion figures may be better than the pro forma DPU accretion figures, in light of CLAR likely being able to secure loans with interest rates lower (at approximately 2.5%) than what was assumed (at approximately 3.0%) for the purposes of computing the pro forma DPU accretion figures.

3. CLAR's strategy

- 3.1. A unitholder shared that CLAR should allocate capital to acquire properties which it has the expertise to operate, and recognised that both 9 Tai Seng Drive and 5 Science Park Drive fall within this category of properties. The Proposed Acquisitions would diversify CLAR's portfolio by increasing investments in the technological sector. Due to the uncertain geopolitical climate, the unitholder also encouraged CLAR to remain focused on Singapore assets. The unitholder then expressed support for the Resolution.
- 3.2. Chairman thanked the unitholder for the support and said that Singapore will remain a focus market for CLAR.

- 3.3. A unitholder noted that data centres would form about 11.5% of CLAR's portfolio and enquired if the acquisition of 9 Tai Seng Drive was in line with CLAR's strategy to increase its data centre ownership or was it the result of strategic reorganisation of asset ownership by CapitaLand.
- 3.4. Chairman responded that the acquisition of 9 Tai Seng Drive is aligned with CLAR's strategy which had been shared in past annual general meetings. The acquisition of data centres is competitive as pipeline of suitable assets is limited. He reassured unitholders that CLAR would only engage in sensible deals.
- 3.5. A unitholder enquired about CLAR's target for its portfolio composition, specifically, what percentage of CLAR's portfolio would be made up of data centres. He observed that currently about 10% of CLAR's portfolio comprises data centres.
- 3.6. Chairman assured unitholders that the Manager made appropriate assessments on the DPU accretion and NPI figures for all the acquisitions which CLAR enters into, to ensure that acquisitions are financially sound. Setting a target of having, for instance, 25% of CLAR's portfolio to comprise data centres, may inadvertently pressure CLAR into acquiring data centres just to meet the target. Instead, the Manager would prefer to have a broad strategy of increasing the value of data centres in CLAR's portfolio, without committing to any numerical target. The Manager acknowledges that data centres have growth potential and CLAR will remain agile in all the markets it operates in to be able to capture growth opportunities.
- 3.7. A unitholder enquired if CLAR had explored the possibility of acquiring data centres in the United States ("US") given that it has a large portfolio of assets in the US.
- 3.8. The CEO clarified that CLAR currently does not have any data centres in the US but has data centres in Europe. CapitaLand has 27 data centres across the globe, which includes CLAR's assets, and Europe is one of the key regions of CapitaLand's data centre portfolio. There is a specialised and competent team in Europe to manage and operate CLAR's data centres. The existence of such competencies within CapitaLand enables CLAR to explore opportunities to acquire more data centre assets in Europe.
- 3.9. Chairman stated that CLAR would be open to consider acquiring data centres in the US if the opportunity arises. However, he pointed out that such acquisitions will need to be considerably sizable, to justify the setting up of a local specialised team to manage data centres. Therefore, it is unlikely that CLAR will only acquire a single data centre in the US.
4. Structuring of the resolution
- 4.1. Responding to a unitholder's suggestion on splitting the Resolution into two separate resolutions instead, the Chairman thanked the unitholder for the suggestion.²

2 As disclosed in the Circular, the commercial negotiations have been on the basis of the sale of both 9 Tai Seng Drive and 5 Science Park Drive to CLAR, the sellers require that the sale of 100.0% of the interest in 9 Tai Seng Drive and 100.0% of the interest in 5 Science Park Drive be approved together in one resolution. Accordingly, there is only one resolution for the acquisition of 100.0% of the interest in 9 Tai Seng Drive and 100.0% of the interest in 5 Science Park Drive.

PROPOSED 9TSD ACQUISITION

5. Capacity expansion for 9 Tai Seng Drive

- 5.1. A unitholder raised concerns on the availability of power to support future capacity expansion for 9 Tai Seng Drive as well as the probability of a successful application for more power at the property.
- 5.2. The CEO explained that to expand the capacity of 9 Tai Seng Drive, CLAR would have to (i) engage with the authorities to obtain additional power capacity, as well as (ii) incur capital expenditure to make the necessary improvements to the mechanical and electrical (“**M&E**”) equipment and convert the vacant floor into a data hall. The CEO cited examples of the Manager’s successful track record of past asset enhancement initiatives (“**AEIs**”) – CLAR had converted a technology building to a Life Sciences building, as well as a light industrial building to a high-tech industrial building. He shared that the Manager would certainly strive towards achieving the desired higher power capacity for 9 Tai Seng Drive. Generally, additional power capacity for data centres can only be obtained through an application to the government. He shared that the government had previously called for and awarded licences to four operators³ to increase their power capacity in Singapore. However, the CEO noted that since there is only one vacant floor in 9 Tai Seng Drive, the request for additional power would be lower than the 20 MW – 30 MW which was previously granted to the four operators.
- 5.3. Chairman added that an alternative way to expand the capacity of 9 Tai Seng Drive would be to improve the power utilisation efficiency of the asset. Through such improvements, the same amount of energy could possibly power more racks in data centres.
- 5.4. A unitholder enquired on whether power for 9 Tai Seng Drive was derived from the grid or green sources such as solar power.
- 5.5. Chairman stated that 9 Tai Seng Drive obtains its power primarily from the grid, similar to other data centres in Singapore. Although many data centres have solar panels installed, solar power does not serve as the primary supply of power. Instead, solar power are means through which corporate sustainability objectives such as decarbonisation are met.
- 5.6. Responding to a unitholder’s comment on the grid (and 9 Tai Seng Drive) deriving power from coal, Chairman stated that Singapore sources 96% of its power from natural gas.
- 5.7. Responding to a unitholder’s query on whether the energy is pass-through for 9 Tai Seng Drive, the CEO answered in the affirmative.
- 5.8. A unitholder asked for the estimated percentage change in floor area which would arise from the conversion of the vacant floor at 9 Tai Seng Drive into a data hall.
- 5.9. The CEO responded that the benefits derived from capacity expansion would depend on the amount of power which can be supplied to the vacant floor rather than the amount of floor space. There is currently no indication as to the amount of power which the Manager can secure for the vacant floor. The estimated total capacity of 9 Tai Seng Drive is currently approximately 10MW to 20MW and if more power is secured, it would increase income contribution for 9 Tai Seng Drive.
- 5.10. Chairman added that assuming no constraints to the availability of power, the estimated increase in real estate floor space would be approximately 15%.

³ One of the operators include an entity which purchased a logistics facility from CLAR and converted it into a data centre.

6. Life cycle of data centres

- 6.1. A unitholder asked about the age of 9 Tai Seng Drive, citing concerns that data centres that have operated for more than 10 years may be of less value due to the aging of the technological equipment.
- 6.2. Chairman noted that technological cycles generally affect tenants as tenants are responsible for replacing the data centre servers.
- 6.3. A unitholder inquired on the estimated capital expenditure required for upgrades at 9 Tai Seng Drive.
- 6.4. The CEO pointed out that the life cycle of M&E equipment typically ranges from 15 to 20 years, for both data centres and other buildings. The construction of 9 Tai Seng Drive was completed in 2019 and had been in operations for six years. He shared that upgrades to M&E equipment such as chillers, air-conditioning and transformers would likely be recurring capital expenditure for CLAR. Nonetheless, actual expenditure would be dependent on the tenants' needs and power efficiency in light of technological advancements. In any event, it is envisaged that the tenancy profile for 9 Tai Seng Drive will mainly comprise enterprise companies (e.g. digital, e-commerce and social media companies), which are expected to be less demanding in terms of expectations towards technological equipment compared to hyperscale tenants that support artificial intelligence workloads.
- 6.5. Mr Khiatani added that 9 Tai Seng Drive is a multi-tenanted colocation data centre. In this case CLAR owns the M&E equipment and has the responsibility of operating and replacing it where needed. He noted that the colocation model is different from the 'core and shell' model where the M&E equipment would be owned and operated by the tenant. The returns for data centres would vary based on the different models.
- 6.6. Chairman further clarified that CLAR does not own any of the servers in 9 Tai Seng Drive and the tenants have the onus to upgrade its chips to keep pace with technological advancements.

7. Tenancy details relating to 9 Tai Seng Drive

- 7.1. A unitholder noted that the Circular had stated that there are potential rental uplifts for 9 Tai Seng Drive, as contracted colocation rates at 9 Tai Seng Drive are currently 30% below comparable market colocation rates. He asked about details relating to the expiry of tenants' leases.
- 7.2. The CEO stated that rental uplifts are expected when current leases expire, the earliest lease expiry for 9 Tai Seng Drive is in 2028.

8. Other market transactions

- 8.1. Responding to a unitholder's query on whether CLAR had considered acquiring ST Telemedia Global Data Centres, which Kohlberg Kravis Roberts & Co. is in discussions to acquire, both the Chairman and the CEO responded that the acquisition had not been considered by CLAR.

9. Cooling mechanism for 9 Tai Seng Drive

- 9.1. A unitholder enquired on CLAR's involvement in the cooling of chips in 9 Tai Seng Drive and the Manager's confidence in keeping pacing with technological advancements to maximise returns for unitholders.
- 9.2. The Chairman explained that CLAR is only involved in supplying water to cool the environment but is not involved in cooling at the chip level. Cooling at the chip level is done by the tenants through their server design.
- 9.3. A unitholder asked about the possibility of reducing water consumption in the cooling process.
- 9.4. The CEO responded that the cooling mechanism in 9 Tai Seng Drive is similar to a typical industrial building with high-specifications, where CLAR would supply air-conditioning and water to tenants to cool the environment and their racks. The CEO agreed that the cooling process involves evolving technology and assured unitholders that the Manager would constantly explore opportunities to tap on new technology. He emphasised that 9 Tai Seng Drive is BCA-IMDA Green Mark Platinum Certified and has efficient air-conditioning and water usage. CLAR will strive towards constantly improving its chillers and air-conditioning through tapping on new technologies, to maintain its green certification.
- 9.5. Mr Khiatani added that CapitaLand possesses end-to-end capabilities to design, develop, operate and lease data centres. 9 Tai Seng Drive was developed by CapitaLand in 2019 and with its portfolio of 27 data centres across the globe, CapitaLand has the necessary capabilities to keep pace with technological advancements. In considering whether to implement liquid cooling for chips, the needs of the end users in 9 Tai Seng Drive would have to be taken into consideration.

10. Comparison between core and shell data centres and colocation data centres

- 10.1. From a REIT's perspective, a unitholder asked if core and shell data centres or colocation data centres would be more beneficial.
- 10.2. The CEO shared that both models have its own benefits. A core and shell model is akin to a pure-play real estate business while the colocation model requires more expertise in data centre operations. CapitaLand has a Singapore team dedicated to managing data centres, providing end-to-end services ranging from development and maintenance to client servicing. CLAR will tap on CapitaLand's expertise and will acquire more colocation centres when such opportunities arise. Currently, CLAR has both core and shell data centres and colocation data centres in its portfolio.
- 10.3. A unitholder asked if colocation data centres are generally riskier.
- 10.4. The CEO replied that although there are risks involved, the risks are manageable. He explained that investments in M&E equipment for a data centre are similar to investments which CLAR had made for its other industrial buildings. CLAR does not intend to take on risks associated with the management of tenants' data centre spaces and racks. The CEO also mentioned that colocation data centres are expected to provide better yields.
- 10.5. Mr Khiatani added that core and shell data centres generally have lower returns than colocation data centres. While core and shell data centres can sometimes provide attractive returns, colocation data centres entail more asset management and data centre operating capabilities. This would allow CLAR to build relationships with different end users, in contrast

to core and shell data centres, which generally only have one end-user leasing the data centre building for an extended period. Mr Khiatani emphasised that given the data centre capabilities within CapitaLand, CLAR was in the position to acquire a colocation data centre, providing better returns to unitholders.

PROPOSED 5SPD ACQUISITION

11. Ability to support multi-tenancy

- 11.1. Responding to a unitholder's query on the ability of 5 Science Park Drive to support multi-tenancy without requiring extensive AEIs, the CEO explained that 5 Science Park Drive was originally designed as a multi-tenanted building. The building was converted to single tenancy on Shopee's request, and the CEO does not foresee many issues in converting the building back to a multi-tenanted building.

12. Discussions with Shopee on lease renewal

- 12.1. A unitholder observed that Shopee's lease is expiring in 1.5 years and enquired about the discussions for lease renewal and likelihood of Shopee renewing its lease.
- 12.2. The CEO shared that there are ongoing discussions with Shopee. He emphasised that Sea Group, of which Shopee is a part of, is one of the CapitaLand's key tenants and are currently leasing CapitaLand's asset at Rochester Commons. Additionally, Sea Group is also a tenant in Galaxis, one of CLAR's assets. The Manager is currently finalising the renewal of Sea Group's lease at Galaxis. In view of 5 Science Park Drive being Shopee's regional headquarters and there being no new supply of business space which would be large enough to accommodate Shopee, the CEO assured unitholders that CLAR is in a good position to secure a lease renewal.

13. 5SPD Deferred Consideration

- 13.1. A unitholder queried on the terms of the 5SPD Deferred Consideration and the rationale behind the REIT incorporating it into the terms of the transaction.
- 13.2. The Chairman explained that the purpose of having the 5SPD Deferred Consideration is to protect unitholders and to ensure that Shopee's lease for 5 Science Park Drive would be renewed at a favourable rent.
- 13.3. A unitholder further questioned if the 5SPD Deferred Consideration would be reduced or payable if the renewed rental rates for Shopee's lease fell below a certain amount.
- 13.4. The CEO clarified that the 5SPD Deferred Consideration amount is fixed and was structured in anticipation of higher rentals when the Shopee lease is renewed. The rationale for deferring part of the purchase consideration for 5 Science Park Drive was to ensure that the acquisition would be accretive both at the current juncture and when the 5SPD Deferred Consideration is payable on 13 November 2026. The CEO observed that the rental rates currently payable by Shopee is 15% lower than the market rate in one-north and Singapore Science Park 1 districts. He assured unitholders that the 5SPD Deferred Consideration protects the interests of both CLAR and its unitholders.