

CIRCULAR DATED 14 JUNE 2022

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This circular dated 14 June 2022 (“**Circular**”) is issued by Ascendas Funds Management (S) Limited (“**AFM**”), in its capacity as manager of Ascendas Real Estate Investment Trust (“**Ascendas Reit**” and the manager of Ascendas Reit, the “**Manager**”). Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made, or reports contained, in this Circular. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your units in Ascendas Reit (“**Units**”), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form in this Circular, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is not for distribution, directly or indirectly, in or into the United States. It is not an offer of securities for sale into the United States. Any proposed issue of new Units described in this Circular have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state of the United States or other jurisdiction, and the Units may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Any public offering of securities of Ascendas Reit in the United States would be made by means of a prospectus that would contain detailed information about Ascendas Reit and the Manager, as well as financial statements. The Manager does not intend to register any portion of the offering in the United States or to conduct a public offering of securities in the United States.



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

Managed by
ASCENDAS FUNDS MANAGEMENT (S) LIMITED
(Company Registration No. 200201987K)

**CIRCULAR TO UNITHOLDERS IN RELATION TO:
THE PROPOSED ENTRY INTO THE NEW MANAGEMENT AGREEMENTS
(AS DEFINED HEREIN)**

DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD
(Incorporated in the Republic of Singapore)
(Company Registration No. 200200144N)

Independent Financial Adviser appointed pursuant to Rule 921(4) of the Listing Manual as well as to advise the Independent Directors, the Audit and Risk Committee and the Trustee (each as defined herein)

**IMPORTANT DATES AND TIMES FOR UNITHOLDERS
EXTRAORDINARY GENERAL MEETING (THE “EGM”)**

Latest date and time for lodgement of the Proxy Form	:	Sunday, 3 July 2022 at 3.00 p.m. (Singapore Time)
Date and time of the EGM	:	Wednesday, 6 July 2022 at 3.00 p.m. (Singapore Time)

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CORPORATE INFORMATION

Manager of Ascendas Reit (the “Manager”)	:	Ascendas Funds Management (S) Limited 168 Robinson Road #30-01 Capital Tower Singapore 068912
Directors of the Manager	:	Dr Beh Swan Gin (Chairman and Non-Executive Independent Director) Mr William Tay Wee Leong (Chief Executive Officer and Executive Non-Independent Director) Mr Chan Pengee, Adrian (Non-Executive Lead Independent Director) Mr Daniel Cuthbert Ee Hock Huat (Non-Executive Independent Director) Mr Chinniah Kunnasagaran (Non-Executive Independent Director) Ms Ong Lee Keang Maureen (Non-Executive Independent Director) Mr Manohar Khiatani (Non-Executive Non-Independent Director) Mr Lim Cho Pin Andrew Geoffrey (Non-Executive Non-Independent Director)
Trustee of Ascendas Reit (the “Trustee”)	:	HSBC Institutional Trust Services (Singapore) Limited 10 Marina Boulevard #48-01 Marina Bay Financial Centre Singapore 018983
Independent Financial Adviser to the Audit and Risk Committee and Independent Directors of the Manager and the Trustee (the “IFA”)	:	Deloitte & Touche Corporate Finance Pte Ltd 6 Shenton Way #33-00 OUE Downtown 2 Singapore 068809
Legal Adviser to the Manager	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Legal Adviser to the Trustee	:	Shook Lin & Bok 1 Robinson Road #18-00 AIA Tower Singapore 048542
Unit Registrar and Unit Transfer Office	:	Boardroom Corporate & Advisory Services Pte. Ltd. (a member of Boardroom Limited) 1 Harbourfront Avenue Keppel Bay Tower #14-07 Singapore 098632

IMPORTANT NOTICE

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 Ascendas Reit is not necessarily indicative of the future performance of Ascendas Reit.

This Circular 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This Circular does not constitute an offer of securities in the United States or any other jurisdiction. Any proposed issue of new Units described in this Circular will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States, and any such new Units may not be offered or sold within the United States except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. The Manager does not intend to conduct a public offering of any securities of Ascendas Reit in the United States.

If you have sold or transferred all your Units, you should immediately forward this Circular, together with the Notice of EGM and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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SUMMARY

Meanings of defined terms may be found in the Glossary on pages 42 to 49 of this Circular.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place unless otherwise stated.

1. OVERVIEW OF ASCENDAS REIT

Ascendas Real Estate Investment Trust ("**Ascendas Reit**") is Singapore's first and largest business space and industrial real estate investment trust established with the investment strategy of owning and operating a diversified portfolio that will provide investors with a stable and predictable income stream and long-term growth prospects.

As at 31 March 2022, Ascendas Reit has a market capitalisation of approximately S\$12.3 billion and investment properties under management of approximately S\$16.4 billion.

As at 31 March 2022, Ascendas Reit's portfolio comprised 221 properties located in Singapore, Australia, the United States and the United Kingdom/Europe (the "**Existing Portfolio**").

2. APPROVAL SOUGHT

Ascendas Funds Management (S) Limited, the manager of Ascendas Reit ("**AFM**" and as manager of Ascendas Reit, the "**Manager**") is convening an extraordinary general meeting of unitholders of Ascendas Reit ("**Unitholders**" and the extraordinary general meeting of Unitholders, the "**EGM**") to seek Unitholders' approval for:

- (1) **Resolution 1 (Ordinary Resolution):** the Proposed Entry into the New Management Agreements.

(See paragraph 1 of the Letter to Unitholders of this Circular for further details.)

3. RATIONALE AND KEY BENEFITS OF THE PROPOSED ENTRY INTO THE NEW MANAGEMENT AGREEMENTS

The Manager believes that the proposed entry into the New Management Agreements will be beneficial to Ascendas Reit and Unitholders after having considered the following factors:

- (a) the proven track record and experience of the Renewed Property and Asset Managers (as defined herein) demonstrated through the following:
 - (i) an operations team with extensive experience and expertise, with strong familiarity of Ascendas Reit's business model; and
 - (ii) a healthy occupancy rate with a positive rental renewal rate enjoyed by the Existing Portfolio;
- (b) being part of the CapitaLand Group (as defined herein), the Renewed Property and Asset Managers' commitment towards sustainability and sustainable practices is in line with the Manager's strategy and goal for Ascendas Reit; and

- (c) refining the fee structure and scope of services in respect of Ascendas Reit's properties which include:
- (i) streamlining the car park management services to form part of the overall property management services and for car park income to be included as part of the Adjusted Gross Revenue (as defined herein) arising from Ascendas Reit's properties, instead of being charged separately to Ascendas Reit on a standalone basis (See paragraph 1.10 of **Appendix A** at page A-9 of this Circular for the detailed breakdown of the fee arrangement for car park management services under the Existing Singapore Property Management Agreement. See paragraph 1.1 of **Appendix A** at page A-1 of this Circular for an explanation on the differences between how the "Adjusted Gross Revenue" is calculated under the Existing Singapore Property Management Agreement and the New Singapore Property Management Agreement.); and
 - (ii) expanding the scope of the Adjusted Gross Revenue (based on which property management fee and lease management fee will be computed) to include additional property tax recovered from tenants. This is to further align the interest between the Renewed Property and Asset Managers and Ascendas Reit as this will incentivise the Renewed Property and Asset Managers to proactively recover on behalf of Ascendas Reit property tax from Ascendas Reit's tenants.

(See paragraph 3 of the Letter to Unitholders of this Circular for further details.)

INDICATIVE TIMETABLE

The timetable for the events which are scheduled to take place after the EGM is indicative only and is subject to change at the Manager's absolute discretion. Any changes (including any determination of the relevant dates) to the timetable below will be announced.

Event	Date and Time
Notice of EGM	: Tuesday, 14 June 2022
Last date and time for lodgement of the Proxy Form	: Sunday, 3 July 2022 at 3.00 p.m. (Singapore Time)
Date and time of the EGM	: Wednesday, 6 July 2022 at 3.00 p.m. (Singapore Time)

If approval for the proposed entry into the New Management Agreements is obtained at the EGM

Signing of the proposed New Management Agreements	: September 2022
Commencement of the proposed New Management Agreements	: Saturday, 1 October 2022

LETTER TO UNITHOLDERS



A Member of
CapitaLand Investment

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

Directors of Ascendas Funds Management (S) Limited (as manager of Ascendas Real Estate Investment Trust)

Registered Office

Dr Beh Swan Gin
(Chairman and Non-Executive Independent Director)

168 Robinson Road
#30-01 Capital Tower
Singapore 068912

Mr William Tay Wee Leong
(Chief Executive Officer and Executive Non-Independent Director)

Mr Chan Pengee, Adrian
(Non-Executive Lead Independent Director)

Mr Daniel Cuthbert Ee Hock Huat
(Non-Executive Independent Director)

Mr Chinniah Kunnasagaran
(Non-Executive Independent Director)

Ms Ong Lee Keang Maureen
(Non-Executive Independent Director)

Mr Manohar Khiatani
(Non-Executive Non-Independent Director)

Mr Lim Cho Pin Andrew Geoffrey
(Non-Executive Non-Independent Director)

14 June 2022

To: The Unitholders of Ascendas Real Estate Investment Trust

Dear Sir/Madam

1. INTRODUCTION

1.1 APPROVAL SOUGHT

Ascendas Funds Management (S) Limited (“**AFM**”), the manager of Ascendas Real Estate Investment Trust (“**Ascendas Reit**” and the manager of Ascendas Reit, the “**Manager**”) is convening an extraordinary general meeting of unitholders of Ascendas Reit (“**Unitholders**” and the extraordinary general meeting of Unitholders, the “**EGM**”) to seek Unitholders’ approval by way of an Ordinary Resolution for the proposed entry into the New Management Agreements (as defined herein) (“**Resolution 1**”), as an interested person transaction. The proposed entry into the New Management Agreements is an interested person transaction as Ascendas Reit and its subsidiaries will be entering into various management agreements with associates of interested persons, including AFM, Ascendas Services Pte Ltd (“**ASPL**”), CapitaLand Development Pte. Ltd. (“**CLD**”), Ascendas Funds Management (Australia) Pty Ltd (“**AFMA**”), CapitaLand International (USA) Pte. Ltd. (“**CLI USA**”), CapitaLand International (Europe) Pte. Ltd. (“**CLI Europe**”) and their

associates (collectively the “**Renewed Property and Asset Managers**”) for them to provide their services to Ascendas Reit with effect from 1 October 2022 following the expiry of the Existing Management Agreements (as defined herein).

The purpose of this Circular is to set out information pertaining to the proposed entry into the New Management Agreements, to seek approval from Unitholders for the proposed entry into the New Management Agreements, and to give Unitholders notice of the EGM scheduled to be held on Wednesday, 6 July 2022 at 3.00 p.m..

Details of the proposed entry into the New Management Agreements are set out in paragraph 2 of this Circular below.

1.2 BACKGROUND AND EXPIRY OF THE EXISTING MANAGEMENT AGREEMENTS

The New Management Agreements will be entered into due to the impending expiry of the following agreements on 30 September 2022 (the “**Existing Management Agreements**”):

1.2.1 Singapore:

- (i) Property Management Agreement relating to the properties of Ascendas Reit located in Singapore (“**Singapore Properties**”) dated 18 September 2012 and entered into between the Trustee, the Manager and ASPL (the “**Existing Singapore Property Management Agreement**”) pursuant to which ASPL was appointed as property manager to operate, maintain, manage and market the Singapore Properties; and
- (ii) Lease Management Agreement relating to the Singapore Properties dated 18 September 2012 and entered into between the Trustee and the Manager (the “**Existing Lease Management Agreement**”) pursuant to which the Manager was appointed to undertake the lease management services in respect of the Singapore Properties.

The Existing Singapore Property Management Agreement and the Existing Lease Management Agreement were approved by Unitholders at the extraordinary general meeting of Ascendas Reit held on 28 June 2012 (the “**2012 EGM**”).

ASPL has also agreed to allow the Trustee, the Manager and CLD to enter into a separate interim project management agreement with effect from 1 January 2022 to 30 September 2022 to appoint CLD as project manager to provide project management services for 11 projects at various Singapore Properties.

See pages A-1 to A-16 in **Appendix A** of this Circular for a summary of key terms and key updates in the Existing Management Agreements located in Singapore.

1.2.2 Australia:

- (i) Strategic Management Agreement dated 17 November 2016 (the “**Existing Australia Strategic Management Agreement**”) and entered into between Perpetual Corporate Trust Limited (“**PCT**”), in its capacity as trustee of a wholly-owned managed investment trust in Australia established by Ascendas Reit by the name of “Ascendas REIT Australia” (the “**MIT**”, and the trustee of the MIT, the “**MIT Trustee**”), the Manager and AFMA pursuant to which AFMA was appointed to undertake strategic management services relating to the properties of Ascendas Reit located in Australia (“**Australia Properties**”);
- (ii) Master Asset Management Agreement dated 17 November 2016 (the “**Existing Australia Master AMA**”) and entered into between the MIT Trustee and AFMA pursuant to which AFMA was appointed as property manager to manage the Australia Properties in furtherance of the Existing Australia Strategic Management Agreement and together with the various existing individual asset management agreements entered into pursuant to the Existing Australia Master AMA (the “**Existing Australia AMAs**”).

The Existing Australia Strategic Management Agreement and Existing Australia Master AMA were approved by Unitholders at the extraordinary general meeting of Ascendas Reit held on 28 June 2016 (the “**2016 EGM**”).

See pages A-16 to A-18 in **Appendix A** of this Circular for a summary of key terms and key updates in the Existing Management Agreements located in Australia.

1.2.3 United States:

- (i) Master Asset and Lease Management Agreement dated 11 December 2019 (the “**Existing US Master ALMA**”) and entered into between the Trustee, the Manager and CapitaLand International USA LLC pursuant to which CapitaLand International USA LLC was appointed as asset manager to manage the properties of Ascendas Reit located in the United States (“**US Properties**”) and together with the various existing individual asset and lease management agreements entered into pursuant to the Existing US Master ALMA (the “**Existing US ALMAs**”).

The aggregate value of the transaction falls below 3.0% of the Ascendas Reit group’s (the “**Group**”) audited NTA (as defined herein) for the relevant financial year. As such the entry into the Existing US Master ALMA did not fall within Rule 905 or 906 of the Listing Manual of the SGX-ST (the “**Listing Manual**”) and was not required to be announced under Rule 905 of the Listing Manual nor was Unitholders’ approval required to be sought under Rule 906 of the Listing Manual.

See pages A-18 to A-22 in **Appendix A** of this Circular for a summary of key terms and key updates in the Existing Management Agreements located in the United States.

1.2.4 Europe:

- (i) Master Asset and Lease Management Agreement dated 16 August 2018 and entered into between the Trustee, the Manager and Ascendas Investment Pte Ltd (“**A IPL**”) pursuant to which A IPL was appointed as asset manager to manage the properties of Ascendas Reit located in Europe (“**Europe Properties**”) which was subsequently novated to CLI Europe pursuant to a Deed of Novation dated 16 March 2021 entered into between the Trustee, the Manager, A IPL and CLI Europe (the Master Asset and Lease Management Agreement read together with the Deed of Novation, the “**Existing Europe Master ALMA**”) and together with the various existing individual asset and lease management agreements entered into pursuant to the Existing Europe Master ALMA (the “**Existing Europe ALMAs**”).

The aggregate value of the transaction falls below 3.0% of the Group’s audited NTA for the relevant financial year. As such the entry into the Existing Europe Master ALMA did not fall within Rule 905 or 906 of the Listing Manual and was not required to be announced under Rule 905 of the Listing Manual nor was Unitholders’ approval required to be sought under Rule 906 of the Listing Manual.

For the avoidance of doubt, there is no difference in the rates charged by A IPL and CLI Europe prior to and after the Deed of Novation.

See pages A-23 to A-27 in **Appendix A** of this Circular for a summary of key terms and key updates in the Existing Management Agreements located in Europe.

2. THE PROPOSED ENTRY INTO THE NEW MANAGEMENT AGREEMENTS

Subject to Resolution 1 being approved by Unitholders, the following New Management Agreements for the management of properties of Ascendas Reit located in the following jurisdictions will be entered into and will take effect from 1 October 2022 upon the expiry of the Existing Management Agreements.

2.1 Singapore

2.1.1 The New Singapore Property Management Agreement

A new property management agreement relating to the Singapore Properties will be entered into between the Trustee, the Manager and ASPL (the “**New Singapore Property Management Agreement**”) and ASPL as property manager under the New Singapore Property Management Agreement, the “**Singapore Property Manager**”).

In accordance with the terms of the proposed New Singapore Property Management Agreement, the Singapore Property Manager will be appointed as the property manager for the Singapore Properties, subject to the overall management of the Manager. The duration of the New Singapore Property Management Agreement is 10 years commencing from 1 October 2022.

Under the New Singapore Property Management Agreement, the Singapore Property Manager, as property manager for the Singapore Properties, will be entitled to certain fees to be borne out of the Deposited Property (as defined herein) for the various services to be provided by the Singapore Property Manager and for the fees and reimbursements as described below. The terms of the New Singapore Property Management Agreement are substantially the same terms as

the Existing Singapore Property Management Agreement which were approved by Unitholders at the 2012 EGM save for the fact that (A) the Manager now has the sole discretion to decide whether or not to appoint the Singapore Property Manager or the Singapore Project Manager (as defined herein) to provide project management services relating to routine refurbishment, retrofitting, renovation and reinstatement works and (B) the Singapore Property Manager no longer has to provide works relating to development, re-development and asset enhancement initiatives which are now exclusively provided by the Singapore Project Manager under the New Singapore Project Management Agreement as set out in paragraph 2.1.2(i) below.

The Manager's sole discretion to decide on which project manager to appoint for the provision of project management services relating to routine refurbishment, retrofitting, renovation and reinstatement works under the Existing Singapore Property Management Agreement was not required as ASPL was the only entity who could provide project management services for the Singapore Properties prior to the restructuring of the CapitaLand Group. Following the restructuring of the CapitaLand Group in September 2021, both the Singapore Property Manager and Singapore Project Manager are now capable of providing project management services for the Singapore Properties. Accordingly, the Manager now has the sole discretion to appoint, in the interest of Ascendas Reit, either the Singapore Project Manager or the Singapore Property Manager to provide project management services relating to routine refurbishment, retrofitting, renovation and reinstatement works.

See **Appendix A** for a summary of key terms and key updates in the New Management Agreements, which includes a comparison of the fees payable under the New Singapore Property Management Agreement and the Existing Singapore Property Management Agreement.

An overview of the fees and reimbursements payable to the Singapore Property Manager for the various services under the New Singapore Property Management Agreement is set out as follows:

(i) Property Management Services

The Trustee will pay the Singapore Property Manager, for each Fiscal Year (as defined herein), a fee of two per cent (2.0%) per annum of the Adjusted Gross Revenue (as defined herein) of each Singapore Property for the property management services rendered.

In the event that in any Fiscal Year, the Singapore Property Manager only manages such Singapore Property for less than one (1) calendar year, such amount will be pro-rated based on the number of days which the Singapore Property Manager manages such Singapore Property divided by the number of days in such year.

This also reflects the current arrangement under the Existing Singapore Property Management Agreement save for the expanded definition of the Adjusted Gross Revenue.

See paragraph 1.1 of **Appendix A** at page A-1 of this Circular for an explanation on the differences between how the "Adjusted Gross Revenue" is calculated under the Existing Singapore Property Management Agreement and the New Singapore Property Management Agreement. See also

paragraph 3.3 below for an illustration on how the different “Adjusted Gross Revenue” would be calculated and the associated impact it would have on the fees payable.

(ii) Marketing and Leasing Services

In respect of the marketing and leasing services (previously termed “Marketing and Sales Services” under the Existing Singapore Property Management Agreement) provided by the Singapore Property Manager for a Singapore Property, the Trustee shall pay to the Singapore Property Manager, the following fees as set out in the table below:

(a) New tenancies⁽¹⁾:

	Length of Tenancy Secured	Commission Payable
a	Less than six months	Nil
b	Six months or more but less than three years	Equivalent to amount pro-rated based on a tenancy for three years as per (c) below
c	Three years	Equivalent to one month’s gross rent inclusive of service charge
d	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below
e	Five years	Equivalent to two months’ gross rent inclusive of service charge
f	More than five years with the contractual terms of the tenancy subject to the prior approval of the Manager	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to three months’ gross rent inclusive of service charge

Note:

(1) The reference to “**new tenancies**” refers to tenancies entered into with new tenants of Ascendas Reit. The term “**tenancy**” or “**lease**” shall also be construed to include any licence and all other forms of occupation arrangements (including licences) and the term “**tenants**” shall be construed accordingly. For tenancy renewals with existing tenants, please see the New Singapore Lease Management as set out in paragraph 2.1.3 below.

See paragraph 1.2 of **Appendix A** at pages A-2 to A-4 of this Circular for an explanation on the differences between how the marketing and leasing services would be calculated under the Existing Singapore Property Management Agreement and the New Singapore Property Management Agreement.

(b) Where a third-party agent is involved in securing a new tenancy:

The Singapore Property Manager shall be responsible for all commissions payable to such third-party agent and the prior approval of

the Manager is required for the Singapore Property Manager to pay a third-party agent a commission that is less than as set out above.

An administrative charge of 20.0% of the commission payable to AFM (in its personal capacity) or the Singapore Property Manager in the case of a new lease being secured which involves a third-party agent for the marketing support and administrative services to be rendered either by the Manager or the Singapore Property Manager respectively.

If the Manager does not provide the relevant marketing administrative support and such marketing administrative support is provided by the Singapore Property Manager, then the Singapore Property Manager shall be entitled to be paid a marketing administrative charge of 20.0% of the commission payable to the third-party agent in the case of a new lease being secured which involves a third-party agent.

The “**marketing support**” and “**administrative services**” to be provided by either the Manager or Singapore Property Manager in this paragraph 2.1.1(ii)(b) include, but are not limited to, site visits with the tenants, handing over and taking over of units from tenants and internal paperwork.

In the event of a premature termination of a tenancy, the 20.0% administrative charge payable to AFM (in its personal capacity) or the Singapore Property Manager is not subject to any refund as the administrative services would already have been provided by the Manager or the Singapore Property Manager irrespective of whether the tenancy is prematurely terminated.

(c) Premature termination of a tenancy

In the event the tenancy is prematurely terminated within six (6) months of the commencement of the tenancy, the Singapore Property Manager shall refund 50.0% of the commission paid to the Singapore Property Manager provided that if the tenant fully compensates Ascendas Reit for the pre-termination (taking into account the loss of income and related expenses) the Singapore Property Manager need not refund 50.0% of the commission it received, and if the tenant only compensates Ascendas Reit for a proportion of the loss, the amount refunded to Ascendas Reit by the Singapore Property Manager would be pro-rated based on the unrecovered loss divided by the aggregate total loss multiplied by 50.0% of the commission paid to the Singapore Property Manager.

(iii) Project Management Services

In respect of the project management services to be provided by the Singapore Property Manager for a Singapore Property, the Singapore Property Manager shall be obliged to carry out the following works:

- (a) (if required by the Manager at its sole discretion for the Singapore Property Manager to do so) routine refurbishment, retrofitting, renovation and reinstatement works to or at a Singapore Property; or

- (b) for routine maintenance where the expenses for the routine maintenance of the Property results in such expenses being classified as capital expenditure under the Singapore Financial Reporting Standards.

For the avoidance of doubt, the Manager shall have the sole discretion to decide whether the Singapore Property Manager or, as the case may be, the Singapore Project Manager will be appointed to provide the routine refurbishment, retrofitting, renovation and reinstatement works pursuant to the New Singapore Property Management Agreement or, as the case may be, the New Singapore Project Management Agreement as elaborated in paragraph 2.1.2(i) below. The Manager, in exercising its sole discretion, will take into account the Singapore Property Manager or Singapore Project Manager's available resources at the time and their ability to meet the Manager's timelines and specific requirements for the projects to be carried out at the Singapore Properties. The fees charged by the Singapore Property Manager and Singapore Project Manager for such works will be the same.

The fees for the project management services payable to the Singapore Property Manager under the New Singapore Property Management Agreement are set out below.

	Amount of Construction Costs (as defined below)	Fee
a	S\$2 million or less	Three per cent (3.0%) of the construction costs
b	Exceed S\$2 million but do not exceed S\$12 million	Two point one five per cent (2.15%) of the construction costs
c	Exceed S\$12 million but do not exceed S\$40 million	One point four five per cent (1.45%) of the construction costs
d	Exceed S\$40 million but do not exceed S\$70 million	One point four per cent (1.4%) of the construction costs
e	Exceed S\$70 million but do not exceed S\$100 million	One point three five per cent (1.35%) of the construction costs
f	Exceed S\$100 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs

For the purpose of calculating the fees payable to the Singapore Property Manager, "**construction costs**" means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project (including but without limitation to development, redevelopment and capital expenditure works), but excluding development charges, differential premiums, statutory payments, consultants' professional fees and GST.

- (iv) Reimbursable Employment Costs for Site-Staff

The Trustee shall (i) reimburse the base salary of the employees of the Singapore Property Manager (approved by the Manager) engaged solely for site supervision of the Singapore Properties (such costs are part of the annual business plan and budget approved by the Trustee on the

recommendation of the Manager or otherwise agreed between the Trustee and the Manager) and (ii) pay a fee of 10.0% of such base salary.

This also reflects the current arrangement under the Existing Singapore Property Management Agreement.

(v) Third-Party Facility Management Agreement

In the situation where a tenant insists on contracting with Ascendas Reit (through the Trustee and/or the Manager) for facility management services even though such services will be performed by the Singapore Property Manager, the Trustee shall pay the Singapore Property Manager any fees which it receives from a tenant of Ascendas Reit which is payable by such tenant as a result of the Trustee or the Manager (on behalf of Ascendas Reit) engaging the Singapore Property Manager on a back-to-back basis to serve as a facility manager for such tenant.

For the avoidance of doubt, Ascendas Reit is not paying anything additional, and neither the Manager nor the Singapore Property Manager will be charging any administrative fee for facilitating such an arrangement. It is merely facilitating the pass-through payment of third-party facility management fees paid by the tenant to the Singapore Property Manager for facility management services that the tenant has engaged the Singapore Property Manager to perform separately for their premises.

This also reflects the current arrangement under the Existing Singapore Property Management Agreement.

(vi) Reimbursable Advertising Costs

The Trustee shall reimburse the Singapore Property Manager for the cost of advertising incurred by the Singapore Property Manager in relation to the promotion of leasing for the Singapore Property provided that prior written approval of the Manager for such cost incurred has been obtained.

It should be noted that third-party marketing agents would, in general, require the landlord to reimburse the marketing agent for such out of pocket expenses.

Advertising and promotional services are instrumental in achieving better marketability, higher customer satisfaction and retention, resulting in a pricing premium. This is a strategic approach that the Manager has consistently adopted for Ascendas Reit having managed Ascendas Reit for almost 20 years.

This also reflects the current arrangement under the Existing Singapore Property Management Agreement.

(vii) Reimbursable Customer Care Costs

The Trustee shall reimburse the Singapore Property Manager for the cost of customer care incurred by the Singapore Property Manager in relation to tenants of the Singapore Property provided that prior approval of the Manager for such cost incurred has been obtained.

It should be noted that third-party marketing agents would, in general, require the landlord to reimburse the marketing agent for such out of pocket expenses.

Appropriate customer care initiatives are instrumental in achieving better marketability, higher customer satisfaction and retention, resulting in a pricing premium.

This also reflects the current arrangement under the Existing Singapore Property Management Agreement.

(viii) Project Management Expenses

The Trustee, on the recommendation of the Manager, shall reimburse the Singapore Property Manager for:

- (a) costs for printing drawings, documents and other lithography expenses incurred for calling of tenders;
- (b) costs for preparing and printing perspectives, plans, models and any materials required for marketing purposes and costs of all submissions to authorities;
- (c) overseas travelling and accommodation expenses and other similar disbursements in respect of the Singapore Property Manager acting on the instructions of the Trustee for any purpose in connection with and/or arising out of the project; and
- (d) costs of tele-conferencing, video conferencing and/or project management portal in connection with and/or arising out of the project,

provided that such costs shall have been pre-approved by the Trustee, on the recommendation of the Manager and shall be supported, where available, by vouchers, receipts and other documentary evidence, and provided further, that such costs shall be in accordance with the budget (if any) which may have been approved by the Trustee for the project in connection with or arising from which the costs were incurred.

The following personnel must be engaged by the Trustee at the cost and expense of Ascendas Reit:

- (a) contractors and surveyors for determining site boundaries, topography information and obtaining other necessary information for project planning and design;
- (b) consultants required for each project;
- (c) contractors required for the construction of the works;
- (d) site supervisory personnel; and
- (e) accredited checkers and registered inspectors.

Reimbursement for such incidentals is a norm commonly practiced in the market. Most service providers would charge for incidentals on top of the professional fees.

It should be noted that it is the market practice for the above-mentioned costs to be borne by the landlord/developer. These reimbursable costs are currently provided in the Existing Singapore Property Management Agreement. Furthermore, such costs shall have been pre-approved by the Trustee, on the recommendation of the Manager and shall be supported, where available, by vouchers, receipts and other documentary evidence, and provided further, that such costs shall be in accordance with the budget (if any) which may have been approved by the Trustee for the project in connection with or arising from which the costs were incurred.

For the avoidance of doubt, the Manager is not being paid to provide any of the above-mentioned services and neither is the Manager receiving any payment relating to this.

This also reflects the current arrangement under the Existing Singapore Property Management Agreement.

2.1.2 The New Singapore Project Management Agreement

A new project management agreement relating to the Singapore Properties will be entered into between the Trustee, the Manager and CLD (the “**New Singapore Project Management Agreement**” and CLD as project manager under the New Singapore Project Management Agreement, the “**Singapore Project Manager**”).

In accordance with the terms of the proposed New Singapore Project Management Agreement, the Singapore Project Manager will be appointed as the project manager for the Singapore Properties, subject to the overall management of the Manager and provided that the Manager shall have the sole discretion to decide whether the Singapore Property Manager or, as the case may be, the Singapore Project Manager will be appointed to provide the routine refurbishment, retrofitting, renovation and reinstatement works pursuant to the New Singapore Property Management Agreement or, as the case may be, the New Singapore Project Management Agreement.

The duration of the New Singapore Project Management Agreement is 10 years commencing from 1 October 2022.

Under the New Singapore Project Management Agreement, the Singapore Project Manager, as project manager for the Singapore Properties, will be entitled to certain fees to be borne out of the Deposited Property for the project management services to be provided by the Singapore Project Manager and for the fees and reimbursements as described below. The terms of the New Singapore Project Management Agreement are substantially the same terms as the Existing Singapore Property Management Agreement.

See **Appendix A** for a summary of key terms and key updates in the New Management Agreements, which includes a comparison of the fees payable under the New Singapore Project Management Agreement and the Existing Singapore Property Management Agreement.

An overview of the fees and reimbursements payable to the Singapore Project Manager for the project management services under the New Singapore Project Management Agreement is set out as follows:

(i) Project Management Services

The Trustee shall pay to the Singapore Project Manager the following fees for works concerning routine refurbishment, retrofitting, renovation and reinstatement works (if the Singapore Project Manager is required by the Manager at its sole discretion to provide project management services for such works), development, re-development and asset enhancement initiatives:

	Amount of Construction Costs (as defined below)	Fee
a	S\$2 million or less	Three per cent (3.0%) of the construction costs
b	Exceed S\$2 million but do not exceed S\$12 million	Two point one five per cent (2.15%) of the construction costs
c	Exceed S\$12 million but do not exceed S\$40 million	One point four five per cent (1.45%) of the construction costs
d	Exceed S\$40 million but do not exceed S\$70 million	One point four per cent (1.4%) of the construction costs
e	Exceed S\$70 million but do not exceed S\$100 million	One point three five per cent (1.35%) of the construction costs
f	Exceed S\$100 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs

For the purpose of calculating the fees payable to the Singapore Project Manager, “**construction costs**” means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project (including but without limitation to development, redevelopment and capital expenditure works), but excluding development charges, differential premiums, statutory payments, consultants’ professional fees and GST.

Save for the scope of project management services provided (where the Manager has discretion to decide whether or not to appoint the Singapore Project Manager or the Singapore Property Manager to provide project management services relating to routine refurbishment, retrofitting, renovation and reinstatement works, while those relating to development, re-development and asset enhancement initiatives are to be provided by the Singapore Project Manager under the New Singapore Project Management Agreement), the New Singapore Project Management Agreement also reflects substantially the current arrangement under the Existing Singapore Property Management Agreement in respect of the provision of project management services.

(ii) Project Management Expenses

The Trustee, on the recommendation of the Manager, shall reimburse the Singapore Project Manager for:

- (a) costs for printing drawings, documents and other lithography expenses incurred for calling of tenders;
- (b) costs for preparing and printing perspectives, plans, models and any materials required for marketing purposes and costs of all submissions to authorities;
- (c) overseas travelling and accommodation expenses and other similar disbursements in respect of the Singapore Project Manager acting on the instructions of the Trustee for any purpose in connection with and/or arising out of the project; and
- (d) costs of tele-conferencing, video conferencing and/or project management portal in connection with and/or arising out of the project,

provided that such costs shall have been pre-approved by the Trustee, on the recommendation of the Manager, and shall be supported, where available, by vouchers, receipts and other documentary evidence, and provided further, that such costs shall be in accordance with the budget (if any) which may have been approved by the Trustee for the project in connection with or arising from which the costs were incurred.

The following personnel must be engaged by the Trustee at the cost and expense of Ascendas Reit:

- (a) contractors and surveyors for determining site boundaries, topography information and obtaining other necessary information for project planning and design;
- (b) consultants required for each project;
- (c) contractors required for the construction of the works;
- (d) site supervisory personnel; and
- (e) accredited checkers and registered inspectors.

Reimbursement for such incidentals is a norm commonly practiced in the market. Most service providers would charge for incidentals on top of the professional fees.

It should be noted that it is the market practice for the above-mentioned costs to be borne by the landlord/developer. These reimbursable costs are currently provided in the Existing Singapore Property Management Agreement. Furthermore, such costs shall have been pre-approved by the Trustee, on the recommendation of the Manager, and shall be supported, where available, by vouchers, receipts and other documentary evidence, and provided further, that such costs shall be in accordance with the budget (if any) which may have been approved by the Trustee for the project in connection with or arising from which the costs were incurred.

For the avoidance of doubt, the Manager is not being paid to provide any of the above-mentioned services and neither is the Manager receiving any payment relating to this.

This also reflects the current arrangement under the Existing Singapore Property Management Agreement.

2.1.3 The New Singapore Lease Management Agreement

A new lease management agreement relating to the Singapore Properties will be entered into between the Trustee and AFM (the “**New Singapore Lease Management Agreement**”, and AFM as the lease manager under the New Singapore Lease Management Agreement, the “**Singapore Lease Manager**”).

In accordance with the terms of the proposed New Singapore Lease Management Agreement, the Singapore Lease Manager will undertake lease management services for the Singapore Properties which are held by the Trustee on behalf of Ascendas Reit. The duration of the New Singapore Lease Management Agreement is 10 years commencing from 1 October 2022.

Under the New Lease Management Agreement, the Singapore Lease Manager will be entitled to certain fees to be borne out of the Deposited Property for the lease management services to be provided by the Singapore Lease Manager and for the fees and reimbursements as described below. The terms of the New Singapore Lease Management Agreement are substantially the same as the Existing Singapore Lease Management Agreement.

See **Appendix A** for a summary of key terms and key updates in the New Management Agreements, which includes a comparison of the fees payable under the New Singapore Lease Management Agreement and the Existing Singapore Lease Management Agreement.

An overview of the fees and reimbursements payable to the Singapore Lease Manager for the project management services under the New Singapore Lease Management Agreement is set out as follows:

(i) Lease Management Services

In respect of the lease management services provided by the Singapore Lease Manager for a Singapore Property, the Trustee shall pay to the Singapore Lease Manager, for each Fiscal Year, a fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue of such Singapore Property.

The Trustee shall pay to the Singapore Lease Manager or (as the Singapore Lease Manager may direct) its nominees (regardless of whether such nominees are or are not related to AFM) (the “**Nominees**”), the following fees subject to a refund of 50.0% of the commission paid to the Singapore Lease Manager or the Nominees if the tenancy is prematurely terminated within six months of the commencement of the tenancy. If the tenant fully compensates Ascendas Reit for the pre-termination (taking into account the loss of income and related expenses) the Singapore Lease Manager need not refund 50.0% of the commission. If the tenant only compensates Ascendas Reit for a proportion of the loss, the amount refunded to Ascendas Reit by the Singapore Lease Manager or the Nominees would be pro-rated based on the unrecovered loss divided by the aggregate total loss multiplied by 50.0% of the commission paid:

- (a) in relation to a tenancy renewal (where an existing tenant of Ascendas Reit renews its tenancy for the same or less net lettable area irrespective of whether it is in respect of the same location), the fee commission payable is:

	Length of Tenancy Renewal	Commission Payable
a	Less than six months	Nil
b	More than six months but less than one year	Equivalent to amount pro-rated based on a tenancy for between one year and three years as per (c) below
c	One year or more but less than three years	Equivalent to half month's gross rent inclusive of service charge
d	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below
e	Five years	Equivalent to one month's gross rent inclusive of service charge
f	More than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to one and a half months' gross rent inclusive of service charge

(b) in relation to a tenancy renewal (where an existing tenant renews its tenancy for a larger net lettable area irrespective of whether it is in respect of the same location), the fee commission payable is:

(i) For the original net lettable area⁽¹⁾:

	Length of Tenancy Renewal	Commission Payable
a	Less than six months	Nil
b	More than six months but less than one year	Equivalent to amount pro-rated based on a tenancy for between one year and three years as per (c) below
c	One year or more but less than three years	Equivalent to half month's gross rent inclusive of service charge
d	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below
e	Five years	Equivalent to one month's gross rent inclusive of service charge
f	More than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to one and a half months' gross rent inclusive of service charge

(ii) For the additional net lettable area⁽²⁾:

	Length of Tenancy Renewal	Commission Payable
a	Less than six months	Nil
b	Six months or more but less than three years	Equivalent to amount pro-rated based on a tenancy for three years as per (c) below
c	Three years	Equivalent to one month's gross rent inclusive of service charge
d	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below
e	Five years	Equivalent to two months' gross rent inclusive of service charge
f	More than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to three months' gross rent inclusive of service charge

Notes:

- (1) The original net lettable area refers to the net lettable area leased by the existing tenant prior to the renewal.
- (2) The additional net lettable area refers to the increase in the net lettable area taken up by the existing tenant under the tenancy renewal when compared to the original net lettable area.

- (c) In relation to any new take-up of space by an existing tenant or where the space is taken up by a new tenant introduced by an existing tenant the fee commission payable is:

	Length of Tenancy Secured	Commission Payable
a	Less than six months	Nil
b	Six months or more but less than three years	Equivalent to amount pro-rated based on a tenancy for three years as per (c) below
c	Three years	Equivalent to one month's gross rent inclusive of service charge
d	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below
e	Five years	Equivalent to two months' gross rent inclusive of service charge
f	More than five years with the contractual terms of the tenancy subject to the prior approval of the Manager	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to three months' gross rent inclusive of service charge

- (ii) Property Tax Objections and Savings

In relation to the services provided by the Singapore Lease Manager in respect of property tax objections submitted to the tax authorities on any proposed annual value of a Singapore Property, the Singapore Lease Manager or the Nominees is entitled to the following fees if as a result of such objections, the proposed annual value is reduced resulting in property tax savings for the Singapore Property:

Proposed Annual Value	Fee
S\$1.0 million or less	7.5% of the property tax savings
More than S\$1.0 million but does not exceed S\$5.0 million	5.5% of the property tax savings
More than S\$5.0 million	5.0% of the property tax savings

The above-mentioned fee is a lump sum fixed fee based on the property tax savings calculated on a 12-month period less the expenses incurred to obtain the property tax savings and is not payable to the Singapore Lease Manager if the Singapore Lease Manager's objections are not successful or if the reduction in annual value results from an appeal to the valuation review board.

2.2 Australia

2.2.1 The New Australia Strategic Management Agreement

A new strategic management agreement relating to the Australia Properties will be entered into between the MIT Trustee, the Manager and AFMA (the “**New Australia Strategic Management Agreement**” and AFMA as strategic manager under the New Australia Strategic Management Agreement, the “**Australia Strategic Manager**”).

In accordance with the terms of the proposed New Australia Strategic Management Agreement, the Australia Strategic Manager will be appointed to provide the strategic management services for the Australia Properties, which will be held by the MIT Trustee, subject to the overall management of the Manager. The duration of the New Australia Strategic Management Agreement is 10 years commencing from 1 October 2022.

Under the New Australia Strategic Management Agreement, the Australia Strategic Manager, as the provider of strategic management services for the Australia Properties, will be entitled to certain fees and reimbursements as described below. The terms of the New Australia Strategic Management Agreement are substantially the same terms as the Existing Australia Strategic Management Agreement.

See **Appendix A** for a summary of key terms and key updates in the New Management Agreements, which includes a comparison of the fees payable under the New Australia Strategic Management Agreement with the Existing Australia Strategic Management Agreement.

An overview of the fees and reimbursements payable to the Australia Strategic Manager for the strategic management services under the New Australia Strategic Management Agreement is set out as follows:

(i) Fees payable to the Australia Strategic Manager

Under the New Australia Strategic Management Agreement, in respect of the strategic management services provided by the Australia Strategic Manager, the Australia Strategic Manager is entitled to an aggregate fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue of such Australia Properties for which strategic management services are provided.

(ii) No double counting of fees under the New Australia Strategic Management Agreement and New Australia Master AMA

For the avoidance of doubt, the Australia Strategic Manager will be paid fees under the New Australia Strategic Management Agreement and the New Australia Master AMA (as defined in paragraph 2.2.2 below) for providing property management services for the Australia Properties. However, the Australia Strategic Manager in turn also directly bears the fees charged by the third-party licensed real estate agents for the property management services provided by such third-party agents engaged pursuant to the New Australia Master AMA.

To the extent that the asset management fees paid to the Australia Strategic Manager under the New Australia Master AMA exceeds the fees payable to

such third-party agents borne by the Australia Strategic Manager under the New Australia Master AMA and this results in a net positive balance to the Australia Strategic Manager (the “**Excess**”), the fees payable to the Australia Strategic Manager under the New Australia Strategic Management Agreement will be reduced by the sum of such Excess.

Accordingly, there will be no double-counting of fees and the aggregate fee payable to the Australia Strategic Manager under both the New Australia Strategic Management Agreement and the New Australia Master AMA will not exceed the total fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue of the Australia Properties.

For the avoidance of doubt, the fee structure remains unchanged from the Existing Australia Strategic Management and the Existing Australia Master AMA which were approved by Unitholders at the 2016 EGM.

2.2.2 The New Australia Master AMA

In furtherance of the New Australia Strategic Management Agreement, a new master asset management agreement relating to the Australia Properties will be entered into between the MIT Trustee and AFMA (the “**New Australia Master AMA**” and AFMA as asset manager under the New Australia Master AMA, the “**Australia Asset Manager**”).

In accordance with the terms of the proposed New Australia Master AMA, the Australia Asset Manager will be appointed to provide property management services for the Australia Properties, which will be held by the MIT Trustee, and individual asset management agreements (the “**New Australia Individual AMAs**”, together with the New Australia Master AMA, the “**New Australia AMAs**”) will from time to time also be entered into by each sub-trust of the MIT and/or underlying property-holding company with AFMA or an individual asset manager as appointed by the Australia Asset Manager.

The duration of the New Australia Master AMA is 10 years commencing from 1 October 2022. For the avoidance of doubt, the term of any New Australia Individual AMAs from time to time will expire no later than the expiry of the New Australia Master AMA.

Under the New Australia AMAs, the Australia Asset Manager, as the property manager for the Australia Properties, will be entitled to certain fees and reimbursements as described below. The terms of the New Australia AMAs are substantially the same terms as the Existing Australia AMAs.

See **Appendix A** for a summary of key terms and key updates in the New Management Agreements, which includes a comparison of the fees payable under New Australia Master AMA with the Existing Australia Master AMA.

An overview of the fees and reimbursements payable to the Australia Asset Manager for the property management services under the New Australia AMAs is set out as follows:

(i) Fees payable to the Australia Asset Manager

The Australia Asset Manager is entitled to all reasonable costs incurred in providing the property management services for the Australia Properties. The

fees payable shall not be less than the fees incurred in the retention of services of one or more licensed real estate agent engaged to assist in the provision of the property management services.

The fees will also be adjusted so as to avoid double counting of the remuneration payable to the Australia Asset Manager under the New Australia Master AMA and New Individual Australia AMAs. This adjustment is done by taking the remuneration payable to the Australia Asset Manager for the performance of the services provided pursuant to any New Individual Australia AMAs and deducting it against all reasonable costs incurred by the Australia Asset Manager under the New Australia Master AMA in providing the property management services for the Australia Properties.

2.3 United States

2.3.1 The New US ALMAs

A new master asset and lease management agreement relating to the US Properties will be entered into between the Trustee, the Manager and CLI USA (the “**New US Master ALMA**” and CLI USA as asset manager under the New US Master ALMA, the “**US Asset Manager**”).

In accordance with the terms of the proposed New US Master ALMA, the US Asset Manager would be appointed as the asset manager for the US Properties and may nominate other individual asset managers to carry out the asset and lease management services, subject to the overall management of the Manager, and individual asset and lease management agreements (the “**New US Individual ALMAs**”, together with the New US Master ALMA, the “**New US ALMAs**”) will from time to time also be entered into by each underlying property-holding company with the US Asset Manager or an individual asset manager as nominated by the US Asset Manager.

The duration of the New US Master ALMA is 10 years commencing from 1 October 2022. For the avoidance of doubt, the term of any New US Individual ALMAs from time to time will expire no later than the expiry of the New US Master ALMA.

Under the New US ALMAs, the US Asset Manager, as asset manager for the US Properties, will be entitled to certain fees to be borne out of the US Adjusted Deposited Property (as defined herein) for the asset and lease management services to be provided by the US Asset Manager and for the fees and reimbursements described below. The terms of the New US ALMAs are substantially the same terms as the Existing US ALMAs.

See **Appendix A** for a summary of key terms and key updates in the New Management Agreements, which includes a comparison of the fees payable under the New US Master ALMA and the Existing US Master ALMA.

An overview of the fees and reimbursements payable to the US Asset Manager for the asset and lease management services under the New US ALMAs is set out as follows:

(i) Asset Management Fees

In respect of the asset management services provided by the US Asset Manager or, as the case may be, the relevant individual asset manager for a US Property, the Trustee or, as the case may be, the Special Purpose Vehicle

shall pay to the US Asset Manager or, as the case may be, the relevant individual asset manager a fee not exceeding the rate of 0.3% per annum of the total value of the US Adjusted Deposited Property for which the asset management services are provided.

(ii) Lease Management Fees

In respect of lease management services provided by the US Asset Manager or, as the case may be, the relevant individual asset manager for a US Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to the US Asset Manager or, as the case may be, the relevant individual asset manager a fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue of such US Properties for which lease management services are provided.

This also reflects the current arrangement under the Existing US ALMAs.

(iii) Project Management Fees

In respect of any project management services which may be provided by the US Asset Manager or, as the case may be, the relevant individual asset manager for a US Property, the Trustee, or as the case may be, the relevant Special Purpose Vehicle shall pay to the US Asset Manager or, as the case may be, the relevant individual asset manager the following fees for development, re-development, routine refurbishment, retrofitting and renovation works to a US Property where submission to the relevant authorities for the approval of such works is required.

	Amount of Construction Costs	Fee
(a)	US\$1.4 million or less	Three per cent (3.0%) of the construction costs
(b)	Exceed US\$1.4 million but do not exceed US\$8.4 million	Two point one five per cent (2.15%) of the construction costs
(c)	Exceed US\$8.4 million but do not exceed US\$28.0 million	One point four five per cent (1.45%) of the construction costs
(d)	Exceed US\$28.0 million but do not exceed US\$49.0 million	One point four per cent (1.4%) of the construction costs
(e)	Exceed US\$49.0 million but do not exceed US\$70.0 million	One point three five per cent (1.35%) of the construction costs
(f)	Exceed US\$70.0 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs

For the purpose of calculating the project management fees payable to the US Asset Manager or, as the case may be, the relevant individual asset manager, “**construction costs**” means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project, but excluding development charges, differential premiums, statutory payments, consultants’ professional fees and sales taxes.

This also reflects the current arrangement under the Existing US ALMAs.

For the avoidance of doubt, the payment of the asset management fees in paragraph 2.3.1(i) above to the US Asset Manager under the New US ALMAs will reduce the Base Management Fee (as defined herein) payable to the Manager under the Trust Deed such that there is no double-counting of the payment of the above fees under the New US ALMAs and the base management fee payable to the Manager under the Trust Deed. Accordingly, the Manager will only receive a base management fee of 0.2% per annum of the US Adjusted Deposited Property under the Trust Deed.

The payment of lease management fees and project management fees in paragraphs 2.3.1(ii) and 2.3.1(iii) above to the US Asset Manager under the New US ALMAs will be separately borne by Ascendas Reit out of its US Adjusted Deposited Property.

2.4 Europe

2.4.1 The New Europe ALMAs

A new master asset and lease management agreement relating to the Europe Properties will be entered into between the Trustee, the Manager and CLI Europe (the “**New Europe Master ALMA**” and CLI Europe as asset manager under the New Europe Master ALMA, the “**Europe Asset Manager**”).

In accordance with the terms of the proposed New Europe Master ALMA, the Europe Asset Manager would be appointed as the asset manager for the Europe Properties and may nominate other individual asset managers to carry out the asset and lease management services, subject to the overall management of the Manager, and individual asset and lease management agreements (the “**New Europe Individual ALMAs**”, together with the New Europe Master ALMA, the “**New Europe ALMAs**”) will from time to time also be entered into by each underlying property-holding company with the Europe Asset Manager or an individual asset manager as nominated by the Europe Asset Manager.

The duration of the New Europe Master ALMA is 10 years commencing from 1 October 2022. For the avoidance of doubt, the term of any New Europe Individual ALMAs from time to time will expire no later than the expiry of the New Europe Master ALMA.

Under the New Europe ALMAs, the Europe Asset Manager, as asset manager for the Europe Properties, will be entitled to certain fees to be borne out of the Europe Adjusted Deposited Property (as defined herein) for the asset and lease management services to be provided by the Europe Asset Manager and for the fees and reimbursements described below. The terms of the New Europe ALMAs are substantially the same terms as the Existing Europe ALMAs.

See **Appendix A** for a summary of key terms and key updates in the New Management Agreements, which includes a comparison of the fees payable under the New Europe Master ALMA with the Existing Europe Master ALMA.

An overview of the fees and reimbursements payable to the Europe Asset Manager for the asset and lease management services under the New Europe ALMAs is set out as follows:

(i) Asset Management Fees

In respect of the asset management services provided by the Europe Asset Manager or, as the case may be, the relevant individual asset manager for a Europe Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to the Europe Asset Manager or, as the case may be, the relevant individual asset manager a fee not exceeding the rate of 0.3% per annum of the total value of the Europe Adjusted Deposited Property for which the asset management services are provided.

(ii) Lease Management Fees

In respect of the lease management services provided by the Europe Asset Manager or, as the case may be, the relevant individual asset manager for a Europe Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to the Europe Asset Manager or, as the case may be, the relevant individual asset manager a fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue of such Europe Properties for which lease management services are provided.

This also reflects the current arrangement under the Existing Europe ALMAs.

(iii) Project Management Fees

In respect of any of the project management services which may be provided by the Europe Asset Manager or, as the case may be, the relevant individual asset manager for a Europe Property, the Trustee or, as the case may be, the relevant Special Purpose Vehicle shall pay to the Europe Asset Manager or, as the case may be, the relevant individual asset manager the following fees for development, re-development, routine refurbishment, retrofitting and renovation works to a Europe Property where submission to the relevant authorities for the approval of such works is required.

	Amount of Construction Costs	Fee
(a)	£2 million or less	Three per cent (3.0%) of the construction costs
(b)	Exceed £2 million but do not exceed £12 million	Two point one five per cent (2.15%) of the construction costs
(c)	Exceed £12 million but do not exceed £40 million	One point four five per cent (1.45%) of the construction costs
(d)	Exceed £40 million but do not exceed £70 million	One point four per cent (1.4%) of the construction costs
(e)	Exceed £70 million but do not exceed £100 million	One point three five per cent (1.35%) of the construction costs
(f)	Exceed £100 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs

For the purpose of calculating the project management fees payable to the Europe Asset Manager or, as the case may be, the relevant individual asset manager, “**construction costs**” means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project, but excluding development charges, differential premiums, statutory payments, consultants’ professional fees and value-added taxes.

This also reflects the current arrangement under the Existing Europe ALMAs.

For the avoidance of doubt, the payment of the asset management fees in paragraph 2.4.1(i) above to the Europe Asset Manager under the New Europe ALMAs will reduce the Base Management Fee (as defined herein) payable to the Manager under the Trust Deed such that there is no double-counting of the payment of the above fees under the New Europe ALMAs and the base management fee payable to the Manager under the Trust Deed. Accordingly, the Manager will only receive a base management fee of 0.2% per annum of the Europe Adjusted Deposited Property under the Trust Deed.

The payment of lease management fees and project management fees in paragraphs 2.4.1(ii) and 2.4.1(iii) above to the Europe Asset Manager under the New Europe ALMAs will be separately borne by Ascendas Reit out of its Europe Adjusted Deposited Property.

3. RATIONALE AND KEY BENEFITS OF THE PROPOSED ENTRY INTO THE NEW MANAGEMENT AGREEMENTS

The Manager believes that the entry into the New Management Agreements will be beneficial to Ascendas Reit and Unitholders.

3.1 The Proven Track Record and Experience of the Renewed Property and Asset Managers

3.1.1 Experienced Operations Teams of the Renewed Property and Asset Managers who have a Strong Familiarity and Understanding of Ascendas Reit’s Business Model

The Renewed Property and Asset Managers have an experienced team of management and staff who have been involved in the various day-to-day property management functions as well as capital upgrading works for Ascendas Reit’s properties over the years. This has allowed the Renewed Property and Asset Managers to be knowledgeable and familiar with Ascendas Reit’s properties and its business model.

At the instruction of the Manager, the various teams have successfully executed all the services at the various properties, resulting in incremental net property income and ultimately enhancing the capital value of Ascendas Reit’s portfolio. Given the Renewed Property and Asset Managers’ proven track record and experienced operations team who have been involved in carrying out the respective services under the Existing Management Agreements, the Manager believes the appointment of the Renewed Property and Asset Managers pursuant to the proposed New Management Agreements will help ensure continuity in the management of Ascendas Reit’s present and future portfolio.

3.1.2 A Healthy Occupancy Rate

The Renewed Property and Asset Managers (where applicable) have, under the direction of the Manager, helped to ensure that the occupancy rate of Ascendas Reit's portfolio has remained healthy with an average occupancy rate of 90.8% over the past 10 years.

3.1.3 Positive Rental Renewal Rate

The Renewed Property and Asset Managers (where applicable) have, under the direction of the Manager, helped to secure increases in rental rates for multi-tenanted properties when leases are renewed or replaced, with an average of 6.6% positive rental reversion over the past 10 years.

3.2 The Renewed Property and Asset Managers' Commitment Towards Sustainable Growth and Practices

Being part of the CapitaLand Group, the Renewed Property and Asset Managers' commitment towards sustainability and sustainable practices is in line with the Manager's strategy and goal for Ascendas Reit.

The Renewed Property and Asset Managers, in carrying out their respective obligations under the Existing Management Agreements, have shown a commitment towards creating long-term value for Ascendas Reit's stakeholders through the incorporation of sustainable practices which aligns with the Manager's goal of adhering to high standards of sustainable corporate practices. Such sustainability measures and practices which have been adopted include:

- solar installations at various properties meant to increase the renewal energy capacity of Ascendas Reit's combined solar farm, with more solar installations being planned for;
- the implementation of smart water meters to track water consumption of equipment at various properties which has resulted in certain properties being exempted from submitting their annual Water Efficiency Management Plan to the Public Utilities Board;
- the implementation of safety and well-being measures to assure tenants as they returned to the properties throughout the COVID-19 pandemic;
- the implementation of biodiversity initiatives which include, amongst others, the protection of plant and animal species at the properties in order to preserve the biodiversity of the properties and its surrounding areas; and
- initiatives to set up the facilitation of waste stream management and electronic vehicle charging stations.

3.3 Refined Fee Structure and Scope of Services

The New Management Agreements will further refine the fee structure and scope of services in respect of Ascendas Reit's properties including:

- streamlining the car park management services to form part of the overall property management services and for car park income to be included as part of the Adjusted Gross Revenue arising from Ascendas Reit's properties, instead of being charged to Ascendas Reit separately on a standalone basis; and.

- expanding the scope of the Adjusted Gross Revenue for the Singapore Properties (based on which property management fee and lease management fee will be computed) to include, among others, additional property tax recovered from tenants. This is to further align the interest between the Renewed Property and Asset Managers and Ascendas Reit as this will incentivise the Renewed Property and Asset Managers to proactively recover on behalf of Ascendas Reit property tax from Ascendas Reit's tenants.

For illustrative purposes, assuming that the New Singapore Property Management Agreement is in place for the whole financial year ended 31 December 2021, Ascendas Reit would have enjoyed a saving in fees of S\$3,845,000 as indicated in the table below:

	Actual Fees in FY21 S\$'000⁽¹⁾	New Fees S\$'000⁽¹⁾	Savings S\$'000⁽¹⁾
Property management fees	11,293	11,540	(247)
Lease management fee	6,872	6,996	(124)
Marketing and leasing fees	No change in fee structure		–
Project management fees	No change in fee structure		–
Third-party facilities fees	No change in fee structure		–
Car park management fees	4,216	–	4,216 ⁽²⁾
	Total		3,845

Notes:

- (1) The figures are rounded down to the nearest thousand.
- (2) The savings in car park management fees have not taken into account the cost of car park management site staff cost, operating expenses and yearly capital expenditure depreciation which will now be borne by the Trustee directly under the New Singapore Property Management Agreement. The total amount payable by the Trustee is approximately S\$2,280,000.

4. INTERESTED PERSON TRANSACTIONS

4.1 Approvals sought for the New Management Agreements

Under Chapter 9 of the Listing Manual, where Ascendas Reit proposes to enter into a transaction with an “*interested person*” and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same “*interested person*” during the same financial year) is equal to or exceeds 5.0% of Ascendas Reit's latest audited net tangible assets (“**NTA**”), Unitholders' approval is required in respect of the transaction.

Based on Ascendas Reit's audited financial statements for the financial year ended 31 December 2021 (the “**Ascendas Reit Audited Financial Statements**”), the NTA of Ascendas Reit was S\$10,277.2 million as at 31 December 2021. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by Ascendas Reit with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S\$513.9 million, being 5% of the latest audited NTA of Ascendas Reit, such a transaction would be subject to Unitholders' approval.

As at 7 June 2022, being the latest practicable date prior to the printing of this Circular (the “**Latest Practicable Date**”), CapitaLand Group Pte. Ltd. (formerly known as CapitaLand Limited) (“**CL**”) holds, through CapitaLand Investment Ltd (“**CLI**”), CLI International Pte. Ltd. (“**CLII**”), CLI RE Fund Investments Pte. Ltd. (“**CLIRE**”) and AFM, an aggregate interest in 756,972,911 Units, which is equivalent to approximately 18.03% of the total number of Units in issue.

CL is therefore regarded as a “controlling unitholder” of Ascendas Reit under the Listing Manual. In addition, as the Manager is an indirect wholly-owned subsidiary of CL, CL is therefore regarded as a “controlling shareholder” of the Manager under the Listing Manual.

The Renewed Property and Asset Managers under the proposed entry into the New Management Agreements are subsidiaries of CL (as further described below) and each is considered an “associate” of CL, which is regarded as a “controlling unitholder” of Ascendas Reit and a “controlling shareholder” of the Manager for the purposes of Chapter 9 of the Listing Manual. Accordingly, the Renewed Property and Asset Managers are (for the purposes of the Listing Manual) an “interested person” of Ascendas Reit.

The aggregate fees under the New Management Agreements payable by Ascendas Reit (or its subsidiaries) to the Renewed Property and Asset Managers, an associate of CL, for the entire duration of the New Management Agreements, amount to an estimated aggregate sum of S\$746.7 million¹, representing 7.3% of the latest audited NTA of the Group of S\$10,277.2 million as at 31 December 2021.

The estimated aggregated fees of S\$746.7 million¹ payable under the New Management Agreements over their entire duration is calculated using the actual value of relevant interested person transactions based on the Ascendas Reit Audited Financial Statements taking into account the changes in the formulae under the New Management Agreements, including the refinements to the scope of the Adjusted Gross Revenue. The estimation is calculated based on the Existing Portfolio.

Therefore, the proposed entry into the New Management Agreements including the New Australia Individual AMAs, the New US Individual ALMAs, and the New Europe Individual ALMAs from time to time will constitute an “interested person transaction” under Chapter 9 of the Listing Manual in respect of which the approval of Unitholders is required.

The approval of Unitholders is therefore sought for the entry into the New Management Agreements including the New Australia Individual AMAs, the New US Individual ALMAs, and the New Europe Individual ALMAs from time to time pursuant to the New Australia Master AMA, the New US Master ALMA and the New Europe Master ALMA. Should such approval be obtained, the fees payable pursuant to the New Management Agreements shall not be subject to aggregation or further Unitholders’ approval requirements under Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the fees payable and related expenses thereunder which are adverse to Ascendas Reit.

¹ The fee of S\$746.7 million is an estimated value and the actual amount payable under the New Management Agreements might be higher or lower depending on the portfolio size of Ascendas Reit over the duration of the New Management Agreements. For the avoidance of doubt, Unitholders’ approval of the proposed entry into the New Management Agreements at the EGM will still be considered valid even if the actual value of fees payable to the Renewed Property and Asset Managers is higher than the estimated value of S\$746.7 million, and no additional approval of Unitholders would be required.

4.2 Existing Interested Person Transactions

For the information of the Unitholders, as at the Latest Practicable Date, save for any transaction which value is less than S\$100,000 and excluding the New Management Agreements which are subject to Unitholders' approval at the EGM, the value of all existing interested person transactions:

- (a) entered into between Ascendas Reit and CL and its associates to-date during the current financial year ending 31 December 2022 is approximately S\$185.3 million which accounts for approximately 1.80% of the latest audited NTA; and
- (b) entered into to-date during the current financial year ending 31 December 2022 between Ascendas Reit and all interested persons (including CL and its associates) is approximately S\$210.3 million which accounts for approximately 2.05% of the latest audited NTA.

The approval of Unitholders is not being sought for these interested person transactions as none of the individual values nor the aggregate value of the transactions entered into in the current financial year ending 31 December 2022 (excluding the New Management Agreements in respect of which Unitholders' approval is being sought) were more than or equal to 5% of the group's NTA. For the avoidance of doubt, these interested person transactions which are not being approved by Unitholders will continue to be the subject of aggregation for purposes of Chapter 9 of the Listing Manual.

5. ADVICE OF THE IFA

The Manager has appointed Deloitte & Touche Corporate Finance Pte Ltd as the independent financial adviser (the "IFA") pursuant to Rule 921(4)(a) of the Listing Manual as well as to advise the independent directors of the Manager (the "Independent Directors"), the audit and risk committee of the Manager (the "Audit and Risk Committee") and the Trustee in relation to the proposed entry into the New Management Agreements. A copy of the letter from the IFA to the Independent Directors, the Audit and Risk Committee and the Trustee (the "IFA Letter"), containing its advice in full, is set out in **Appendix B** of this Circular and Unitholders are advised to read the IFA Letter carefully.

Having considered the factors and assumptions set out in the IFA Letter, and subject to the qualifications set out therein, and taking into account the prevailing conditions as at the date of the IFA Letter, the IFA is of the opinion that the New Management Agreements are on normal commercial terms and are not prejudicial to the interests of Ascendas Reit and its minority Unitholders.

Accordingly, the IFA has advised the Independent Directors and the Audit and Risk Committee to recommend that Unitholders vote in favour of Resolution 1 to be proposed at the EGM.

6. RECOMMENDATION

Having considered the relevant factors, including the terms of the New Management Agreements (as set out in paragraph 2 above), the rationale and key benefits of the New Management Agreements (as set out in paragraph 3 above) and the IFA Letter (as set out in **Appendix B** of this Circular), the Independent Directors and the Audit and Risk Committee believe that the proposed entry into the New Management Agreements is based on normal commercial terms and would not be prejudicial to the interests of Ascendas Reit and its minority Unitholders.

Accordingly, the Independent Directors and the Audit and Risk Committee recommend that Unitholders vote at the EGM in favour of the resolution to approve the proposed entry into the New Management Agreements.

7. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the Latest Practicable Date, certain directors of the Manager (“**Directors**”) collectively hold an aggregate direct and indirect interest in 426,068 Units which accounts for 0.01% of the total Units in issue. Further details of the interests in Units of the Directors and Substantial Unitholders (as defined herein) are set out below.

7.1 Interests of Directors

It should be noted that:

- (a) Mr Manohar Khiatani, a Non-Executive Non-Independent Director of the Manager, is the Senior Executive Director of CapitaLand Investment Limited (“**CLI**”);
- (b) Mr Lim Cho Pin Andrew Geoffrey, a Non-Executive Non-Independent Director of the Manager, is Group Chief Financial Officer of CLI; and
- (c) Mr William Tay Wee Leong is the Chief Executive Officer and an Executive Non-Independent Director of the Manager.

Based on the Register of Directors’ Unitholdings maintained by the Manager and save as disclosed in the table below, none of the Directors currently holds a direct or deemed interest in the Units as at the Latest Practicable Date:

Name of Director	Direct Interest		Deemed Interest		Total No. of Units held	%	Contingent Awards of Units ⁽²⁾ under the Manager’s	
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾			Performance Unit Plan	Restricted Unit Plan
Dr Beh Swan Gin	–	–	–	–	–	–	–	–
William Tay Wee Leong	341,390	0.008	–	–	341,390	0.008	0 to 428,032 ⁽³⁾	96,473 ^{(4),(5)} 0 to 128,016 ^{(3),(5)}
Chan Pengee, Adrian	16,271	N.M. ⁽⁶⁾	–	–	16,271	N.M. ⁽⁶⁾	–	–
Daniel Cuthbert Ee Hock Huat	37,454	0.001	–	–	37,454	0.001	–	–
Chinniah Kunnasagar	8,984	N.M. ⁽⁶⁾	6,222	N.M. ⁽⁶⁾	15,206	N.M. ⁽⁶⁾	–	–
Ong Lee Keang Maureen	2,515	N.M. ⁽⁶⁾	–	–	2,515	N.M. ⁽⁶⁾	–	–
Manohar Khiatani	–	–	–	–	–	–	–	–
Lim Cho Pin Andrew Geoffrey	13,232	N.M. ⁽⁶⁾	–	–	13,232	N.M. ⁽⁶⁾	–	–

Notes:

- (1) The percentage is based on 4,197,929,792 Units in issue as at the Latest Practicable Date.
- (2) This refers to the number of Units which are the subject of contingent awards granted but not released under the Manager’s Performance Unit Plan (“**PUP**”) and Restricted Unit Plan (“**RUP**”). The final number of Units that will be released could range from 0% to a maximum of 200% of the baseline award under the PUP and from 0% to a maximum of 150% of the baseline award under the RUP.
- (3) The final number of Units to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for the PUP and RUP.
- (4) Being the unvested units under the RUP.
- (5) On the final vesting, an additional number of Units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of RUP, will also be released.
- (6) Not meaningful.

Based on information available to the Manager as at the Latest Practicable Date and save as disclosed in the table below, none of the Directors currently holds a direct or deemed interest in the ordinary shares in CLI (“**CLI Shares**”) as at the Latest Practicable Date:

Name of Director	Direct Interest		Deemed Interest		Total No. of CLI Shares held	% ⁽¹⁾	Awards/Contingent Awards of CLI Shares ⁽²⁾ under CLI's		
	No. of CLI Shares	% ⁽¹⁾	No. of CLI Shares	% ⁽¹⁾			Performance Share Plan	Special Founders Performance Share Plan	Restricted Share Plan
Dr Beh Swan Gin	–	–	–	–	–	–	–	–	–
William Tay Wee Leong	–	–	–	–	–	–	–	0 to 690,753 ⁽³⁾	–
Chan Pengee, Adrian	13,564	N.M. ⁽⁶⁾	14,607	N.M. ⁽⁶⁾	28,171	N.M. ⁽⁶⁾	–	–	–
Daniel Cuthbert Ee Hock Huat	–	–	–	–	–	–	–	–	–
Chinniah Kunnasagaran	35,867	N.M. ⁽⁶⁾	–	–	35,867	N.M. ⁽⁶⁾	–	–	–
Ong Lee Keang Maureen	–	–	–	–	–	–	–	–	–
Manohar Khiatani	327,587	0.01	140,000 ⁽⁷⁾	N.M. ⁽⁶⁾	467,587	0.01	229,333 ⁽⁴⁾ 0 to 88,360 ⁽³⁾	0 to 531,348 ⁽³⁾	0 to 66,270 ^{(3),(5)}
Lim Cho Pin Andrew Geoffrey	1,006,371	0.02	–	–	1,006,371	0.02	922,805 ⁽⁴⁾ 0 to 388,784 ⁽³⁾	0 to 1,912,857 ⁽³⁾	0 to 291,588 ^{(3),(5)}

Notes:

- (1) The percentage is based on 5,128,957,491 CLI Shares in issue as at the Latest Practicable Date.
- (2) This refers to the number of CLI Shares which have been finalised or are the subject of contingent awards granted but not released under CapitaLand Investment Performance Share Plan 2021 (“**PSP**”), Special Founders Performance Share Plan (“**Special PSP**”) and CapitaLand Investment Restricted Share Plan 2021 (“**RSP**”). The final number of CLI Shares that will be released at 200% or could range from 0% to a maximum of 200% of the baseline award under the PSP, from 0% to a maximum of 300% of the baseline award under the Special PSP and from 0% to a maximum of 150% of the baseline award under the RSP.
- (3) The final number of CLI Shares to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for the PSP, Special PSP and RSP.
- (4) Being the unvested CLI Shares under the PSP.
- (5) On the final vesting, an additional number of CLI Shares of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of RSP, will also be released.
- (6) Not meaningful.
- (7) CLI Shares held jointly with spouse.

7.2 INTERESTS OF SUBSTANTIAL UNITHOLDERS

Based on the information available to the Manager as at the Latest Practicable Date, the Substantial Unitholders of Ascendas Reit and their interests in the Units as at the Latest Practicable Date are as follows:

Name of Substantial Unitholder ⁽¹⁾	Direct Interest		Deemed Interest		Total No. of Units held	%(²)
	No. of Units	%(²)	No. of Units	%(²)		
Temasek Holdings (Private) Limited ^{(3),(5),(6)} (“ Temasek ”)	–	–	848,488,681	20.21	848,488,681	20.21
Tembusu Capital Pte. Ltd. ^{(4),(5),(6)} (“ Tembusu ”)	–	–	789,557,418	18.80	789,557,418	18.80
Bartley Investments Pte. Ltd. ^{(5),(6)} (“ Bartley ”)	–	–	756,972,911	18.03	756,972,911	18.03
Mawson Peak Holdings Pte. Ltd. ^{(5),(6)} (“ Mawson ”)	–	–	756,972,911	18.03	756,972,911	18.03
Glenville Investments Pte. Ltd. ^{(5),(6)} (“ Glenville ”)	–	–	756,972,911	18.03	756,972,911	18.03
TJ Holdings (III) Pte. Ltd. ^{(5),(6)} (“ TJ Holdings (III) ”)	–	–	756,972,911	18.03	756,972,911	18.03
CLA Real Estate Holdings Pte. Ltd. ^{(5),(6)} (“ CLA ”)	–	–	756,972,911	18.03	756,972,911	18.03
CapitaLand Group Pte. Ltd. ^{(5),(6)} (“ CL ”)	–	–	756,972,911	18.03	756,972,911	18.03
CapitaLand Investment Limited ^{(5),(6),(7)} (“ CLI ”)	–	–	756,972,911	18.03	756,972,911	18.03
CLI International Pte. Ltd. ⁽⁸⁾ (“ CLII ”)	–	–	754,990,210	17.98	754,990,210	17.98
CLI RE Fund Investments Pte. Ltd. ^{(7),(8)} (“ CLIRE ”)	754,990,210	17.98	–	–	754,990,210	17.98
BlackRock, Inc. ⁽⁹⁾ (“ BlackRock ”)	–	–	264,788,971	6.30	264,788,971	6.30

Notes:

- (1) “**Substantial Unitholder**” means a person with an interest in Units constituting not less than 5.0% of the total number of Units in issue.
- (2) The percentage is based on the 4,197,929,792 Units in issue as at the Latest Practicable Date. Percentages are rounded down to the nearest 0.01%.
- (3) Temasek is deemed to have an interest in the unitholdings in which its subsidiaries and associated companies (including but not limited to CLA) have or are deemed to have an interest pursuant to Section 4 of the Securities and Futures Act 2001 (“**SFA**”).
- (4) Tembusu is deemed to have an interest in the unitholdings in which its subsidiaries (including but not limited to CLA) have or are deemed to have an interest pursuant to Section 4 of the SFA.
- (5) Temasek holds 100% of the equity interest in Tembusu, which holds 100% of the equity interest in Bartley, which holds 100% of the equity interest in Mawson, which holds 100% of the equity interest in Glenville, which holds 100% of the equity interest in TJ Holdings (III), which holds 100% of the equity interest in CLA, which holds 100% of the equity interest in CL. CL holds approximately 52.50% of the issued shares in CLI.
- (6) Each of Temasek, Tembusu, Bartley, Mawson, Glenville and TJ Holdings (III) is deemed to have an interest in the unitholdings in which CLA is deemed to have an interest pursuant to Section 4 of the SFA. Each of CLA and CL is deemed to have an interest in the unitholdings in which CLI is deemed to have an interest pursuant to Section 4 of the SFA.
- (7) CLI is deemed to have an interest in the unitholdings of its indirect wholly owned subsidiaries namely, CLIRE and AFM. AFM holds 1,982,701 Units.
- (8) CLII is deemed to have an interest in the unitholding of its direct wholly owned subsidiary namely, CLIRE.
- (9) BlackRock is deemed to have an interest in the Units held by the various funds managed by BlackRock investment advisors.

Save as disclosed above and based on information available to the Manager as at the Latest Practicable Date, none of the Directors or the Substantial Unitholders have an interest, direct or indirect, in the New Management Agreements.

8. EGM

8.1 Background on COVID-19 Related Regulations

The Manager and the Trustee refer to:

- (a) the COVID-19 (Temporary Measures) Act 2020 passed by Parliament on 7 April 2020 which enables the Minister for Law by order to prescribe alternative arrangements for listed entities in Singapore to, *inter alia*, conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means;
- (b) the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended) (the “**Order**”) which sets out the alternative arrangements in respect of, *inter alia*, general meetings of real estate investment trusts;
- (c) the joint statement by the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation of 13 April 2020 (and subsequently updated on 27 April 2020, 22 June 2020, 1 October 2020 and 4 February 2022) which provides guidance on the conduct of general meetings amid the evolving COVID-19 situation; and
- (d) the article published by the Singapore Exchange dated 23 May 2022 titled “Regulator’s Column: Live engagement and voting expected at all AGMs for FYs ending 30 June 2022 or after” requiring any general meetings on or after 1 October 2022 seeking shareholder’s approval for corporate transactions to adopt real-time electronic voting and real-time electronic communications during the general meeting.

Due to the current COVID-19 restrictions set out therein, the Unitholders will not be able to attend the EGM in person. Instead, the alternative arrangements and key dates relating to participation in the EGM via electronic means are set out in paragraph 10 below.

8.2 Date, time and conduct of the EGM

The EGM will be convened and held by way of electronic means on Wednesday, 6 July 2022 at 3.00 p.m. (Singapore Time) for the purpose of considering and, if thought fit, passing with or without modification, the resolution set out in the Notice of EGM, which is set out in pages EGM-1 to EGM-7 of this Circular. The purpose of this Circular is to provide Unitholders with relevant information about Resolution 1 to be proposed at the EGM.

Approval by way of an Ordinary Resolution² is required in respect of the proposed renewal and entry into the New Management Agreements.

A Depositor shall not be regarded as a Unitholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Units entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited (“**CDP**”) as at 72 hours before the time fixed for the EGM.

² “**Ordinary Resolution**” means a resolution proposed and passed as such by a majority being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed.

The Chairman of the Manager, Dr Beh Swan Gin, and Chief Executive Officer of the Manager, Mr William Tay Wee Leong, will conduct the proceedings of the EGM and, together with the remaining directors and senior management of the Manager, will address the substantial and relevant questions raised during the EGM which are related to the resolution to be tabled for approval at the EGM.

The Manager will endeavour to address all substantial and relevant questions (which are related to the resolution to be tabled for approval at the EGM) received in advance of the EGM from the Unitholders, prior to or during the EGM. The Manager will publish the responses to the substantial and relevant questions which the Manager will not be addressing during the EGM, on Ascendas Reit's website at the URL <https://ir.ascendas-reit.com/agm.html> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> prior to the EGM. Where substantially similar questions are received, the Manager will consolidate such questions and consequently, not all questions may be individually addressed.

The Manager will publish the minutes of the EGM on Ascendas Reit's website at the URL <https://ir.ascendas-reit.com/agm.html> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> within one month from the date of the EGM, and the minutes will include the responses to the substantial and relevant questions which are addressed during the EGM.

9. ABSTENTIONS FROM VOTING

9.1 Relationship between CL, the Manager and Ascendas Reit

As at the Latest Practicable Date, CL directly and/or through its subsidiaries and through its interest in the Manager, has deemed interests of (i) 18.03% of the Units and (ii) 100% of the issued share capital of the Manager, and is therefore regarded as a "controlling unitholder" of Ascendas Reit as well as a "controlling shareholder" of the Manager respectively.

9.2 Abstention from Voting

Under Rule 919 of the Listing Manual, where a meeting is held to obtain unitholders' approval, the interested person and any associate of the interested person must not vote on a resolution in respect of which such person is interested, nor accept appointments as proxies, unless specific instructions as to voting are given.

Accordingly, Temasek (being the holding company of CL), CL and their respective associates will abstain from voting (either in person or by proxy) on the proposed entry into the New Management Agreements. Further, each of them shall decline to accept appointments as proxies in respect of the proposed entry into the New Management Agreements.

The Manager will also disregard any votes cast by persons required to abstain from voting.

10. ACTIONS TO BE TAKEN BY UNITHOLDERS

10.1 Circular, Notice of EGM and Proxy Form

This Circular, the Notice of EGM and the instrument appointing a proxy(ies) (“**Proxy Form**”) will be sent to Unitholders by electronic means via publication on Ascendas Reit’s website at the URL <https://ir.ascendas-reit.com/agm.html> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

Printed copies of the Notice of EGM and the Proxy Form will not be sent to Unitholders. Any Unitholder who wishes to receive printed copies of the Circular should submit his/her/its request via email at a-reit@capitaland.com.

10.2 Alternative arrangements for participation in the EGM due to COVID-19

Unitholders may participate in the EGM by:

- (a) observing and/or listening to the EGM proceedings via live audio-visual webcast or live audio-only stream;
- (b) submitting questions to the Chairman of the EGM in advance of, or live at, the EGM; and/or
- (c) voting at the EGM:
 - (i) live by the Unitholder or his/her/its duly appointed proxy(ies) (other than the Chairman of the EGM) via electronic means; or
 - (ii) by appointing the Chairman of the EGM as proxy to vote on their behalf at the EGM.

Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the EGM in advance of, or live at, the EGM, addressing of substantial and relevant questions in advance of, or live at, the EGM, and voting at the EGM (1) live by the Unitholder or his/her/its duly appointed proxy(ies) (other than the Chairman of the EGM) via electronic means; or (2) by appointing the Chairman of the EGM as proxy to vote on the Unitholder’s behalf at the EGM, are set out in the Notice of EGM.

Persons who hold Units through relevant intermediaries (as defined in the Notice of EGM), other than CPF and SRS investors, and who wish to participate in the EGM by (i) observing and/or listening to the EGM proceedings via live audio-visual webcast or live audio-only stream; (ii) submitting questions to the Chairman of the EGM in advance of, or live at, the EGM; and/or (iii) voting at the EGM (a) live via electronic means by being appointed as proxy by their relevant intermediary; or (b) by appointing the Chairman of the EGM as proxy to vote on their behalf at the EGM, should contact the relevant intermediary through which they hold such Units as soon as possible in order for the necessary arrangements to be made for their participation in the EGM. Unitholders must pre-register at Ascendas Reit’s pre-registration website at the URL <https://ir.ascendas-reit.com/agm.html> from 14 June 2022 to 3 July 2022, 3.00 p.m. (Singapore Time) to enable the Manager to verify their status as Unitholders.

10.3 Key action to be taken by Unitholders for the EGM

In summary, the key actions to be taken by Unitholders if they wish to participate in the EGM, based on the manner in which they hold their Units, are set out in the table below:

	If I hold Units via CDP	If I hold Units through CPF or SRS	If I hold Units through a relevant intermediary
I wish to ask questions in advance, and to attend, speak and vote at the EGM	<p>Pre-register at the pre-registration website by <u>3.00 p.m. on 3 July 2022</u></p> <p>Submit questions in advance via the pre-registration website, via email or by post by <u>3.00 p.m. on 3 July 2022</u></p> <p>Ask questions and vote live at the EGM by accessing the EGM proceedings via the live audio-visual webcast at <u>3.00 p.m. on 6 July 2022</u></p>		<p>Approach your relevant intermediary (if your relevant intermediary has not already contacted you)</p>
I do not wish to attend the EGM, but wish to vote by <u>appointing the Chairman of the EGM as proxy</u>	<p>Submit proxy form appointing the Chairman of the EGM as proxy via the pre-registration website, via email or by post by <u>3.00 p.m. on 3 July 2022</u></p>	<p>Approach your CPF Agent Bank or SRS Operator to submit your votes by <u>5.00 p.m. on 24 June 2022</u></p>	<p>Approach your relevant intermediary (if your relevant intermediary has not already contacted you)</p>
I do not wish to attend the EGM, but wish to <u>appoint third-party proxy(ies)</u>	<p>Submit proxy form appointing third party proxy(ies) via the pre-registration website, via email or by post by <u>3.00 p.m. on 3 July 2022</u></p> <p>Pre-register your proxy(ies) at the pre-registration website by <u>3.00 p.m. on 3 July 2022</u></p> <p>Your proxy(ies) can ask questions and vote live at the EGM by accessing EGM proceedings via the live audio-visual webcast at <u>3.00 p.m. on 6 July 2022</u></p>	Not applicable	Not applicable

10.4 Key dates and deadlines for the EGM

The table below sets out the key dates and deadlines for Unitholders to note:

Key Dates	Actions
14 June 2022 (Tuesday)	Unitholders, including CPF and SRS investors, may begin to pre-register themselves or, where applicable, their appointed proxy(ies) for the EGM at the pre-registration website at the URL https://ir.ascendas-reit.com/agm.html .
5.00 p.m. on 24 June 2022 (Friday)	Deadline for CPF and SRS investors who wish to appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM to approach their respective CPF Agent Banks or SRS Operators to submit their votes.
3.00 p.m. on 3 July 2022 (Sunday)	<p>Deadline for Unitholders to:</p> <ul style="list-style-type: none"> • pre-register for the EGM; • submit questions in advance of the EGM; and • submit instrument appointing a proxy(ies) for the EGM. <p>Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies), can ask questions and vote live at the EGM. They must be pre-registered and authenticated.</p>
12.00 p.m. on 5 July 2022 (Tuesday)	<p>Authenticated Unitholders, including CPF and SRS investors, or, where applicable, their duly appointed proxy(ies) who have (or have been) pre-registered will receive an email confirming successful registration, which will contain unique user credentials as well as instructions on how to access the live audio-visual webcast and live audio-only stream of the EGM proceedings (the “Confirmation Email”).</p> <p>Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies) who have (or have been) pre-registered by the 3 July 2022 deadline but have not received the Confirmation Email by 12.00 p.m. on Tuesday, 5 July 2022 should immediately contact Ascendas Reit’s Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at (65) 6536 5355 (during office hours) or via email at areit-egm2022@boardroomlimited.com.</p>

Key Dates	Actions
<p>Date and time of EGM 3.00 p.m. on 6 July 2022 (Wednesday)</p>	<ul style="list-style-type: none"> • Click on the link in the Confirmation Email and follow the instructions to access the live audio-visual webcast of the EGM proceedings and to ask questions and vote live at the EGM via the audio-visual webcast platform; or • Call the telephone number in the Confirmation Email and follow the instructions to access the live audio-only stream of the EGM proceedings. <p>Unitholders, including CPF and SRS investors, or where applicable, their appointed proxy(ies) must access the EGM proceedings via the live audio-visual webcast in order to ask questions and vote live at the EGM, and will not be able to do so via the audio-only stream of the EGM proceedings.</p>

10.5 Information relating to CPF and SRS Investors

CPF and SRS investors should note that they (i) may vote live via electronic means at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (ii) may appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on Friday, 24 June 2022**, being at least seven (7) working days before the date of the EGM. For the avoidance of doubt, CPF and SRS investors will not be able to appoint third-party proxy(ies) (i.e., persons other than the Chairman of the EGM) to vote live at the EGM on their behalf.

10.6 Important Reminder

Due to the constantly evolving COVID-19 situation in Singapore, the Manager may be required to change the arrangements for the EGM at short notice. Unitholders should regularly check Ascendas Reit's website at the URL <https://ir.ascendas-reit.com/agm.html> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> for the latest updates on the EGM.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed entry into the New Management Agreements, Ascendas Reit and its subsidiaries, and the Directors are not aware of any material facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

12. CONSENTS

The IFA has given and has not withdrawn its written consent to the issue of this Circular and with the inclusion of its name, the IFA Letter and all references thereto to its name in the form and context in which they are included in this Circular.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912 from the date of this Circular up to and including the date falling three months after the date of this Circular³:

- (a) the draft New Management Agreements;
- (b) the IFA Letter; and
- (c) the written consent of the IFA as referred to in paragraph 12 of this Letter to Unitholders.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as Ascendas Reit continues to be in existence.

Yours faithfully

Ascendas Funds Management (S) Limited
(as manager of Ascendas Real Estate Investment Trust)
(Company Registration No. 200201987K)

Dr Beh Swan Gin
Chairman and Non-Executive Independent Director

³ Due to the current COVID-19 situation in Singapore, inspection at the registered office of the Manager shall be further subject to any applicable control order or regulatory restriction relating to safe distancing which may be issued by the relevant authorities. Prior appointment with the Manager is required. Please contact the Manager at tel. no. +65 6713 2888 or via email at a-reit@capitaland.com.

GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

% or per cent	:	Per centum or percentage.
2012 EGM	:	The extraordinary general meeting of Ascendas Reit held on 28 June 2012.
2016 EGM	:	The extraordinary general meeting of Ascendas Reit held on 28 June 2016.
Adjusted Gross Revenue	:	In respect of a Singapore Property, Australia Property, US Property and Europe Property, as the case may be, and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) and car park income from the Singapore Property, Australia Property, US Property and Europe Property, as the case may be, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a Singapore Property, Australia Property, US Property and Europe Property, as the case may be, and the additional property tax recovered from tenants, but shall exclude all other incomes earned by Ascendas Reit such as (i) all other income earned from the Singapore Property, Australia Property, US Property and Europe Property, as the case may be, including, but not limited to, utilities income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all goods and services tax, value-added tax or sales tax, as the case may be, collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sum due to the landlord.
AFM	:	Ascendas Funds Management (S) Limited (UEN: 200201987K).
AFMA	:	Ascendas Funds Management (Australia) Pty Ltd (Australian Company No. 608 236 924).
AIPL	:	Ascendas Investment Pte Ltd (UEN: 198000665R).
Ascendas Reit	:	Ascendas Real Estate Investment Trust.
Ascendas Reit Audited Financial Statements	:	The audited financial statements of Ascendas Reit for the last financial year ended 31 December 2021.
ASPL	:	Ascendas Services Pte Ltd (UEN: 199600003W).

Audit and Risk Committee:	:	The audit and risk committee of the Manager.
Australia Asset Manager	:	AFMA as asset manager under the New Australia Master AMA.
Australia Properties	:	All Ascendas Reit properties located in Australia.
Australia Strategic Manager	:	AFMA as strategic manager under the New Australia Strategic Management Agreement.
Base Management Fee	:	The base management fee the Manager is entitled to receive under the Trust Deed wherein such fee shall not exceed the rate of 0.5% per annum of the Deposited Property.
Bartley	:	Bartley Investments Pte. Ltd. (UEN: 200407872N).
BlackRock	:	BlackRock, Inc.
CL	:	CapitaLand Group Pte. Ltd. (formerly known as CapitaLand Limited) (UEN: 198900036N).
CDP	:	The Central Depository (Pte) Limited.
Circular	:	This circular to Unitholders dated 14 June 2022.
CLA	:	CLA Real Estate Holdings Pte. Ltd. (UEN: 201429036E).
CLD	:	CapitaLand Development Pte. Ltd. (UEN: 201109018N).
CLI	:	CapitaLand Investment Limited (UEN: 200308451M).
CLI USA	:	CapitaLand International (USA) Pte. Ltd. (UEN: 201830649D).
CLI Europe	:	CapitaLand International (Europe) Pte. Ltd. (UEN: 201734992R).
CLII	:	CLI International Pte. Ltd. (UEN: 201109060K).
CLIRE	:	CLI RE Fund Investments Pte. Ltd. (UEN: 201619421E).
Confirmation Email	:	The email which will contain user ID and password details, as well as instructions on how to access the live audio-visual webcast and a toll-free telephone number to access the live audio-only stream of the EGM proceedings sent to Unitholders by 12.00 p.m. on Tuesday, 5 July 2022 (Singapore Time).

Controlling shareholder	:	(In relation to a company), a person who: <ol style="list-style-type: none"> holds directly or indirectly 15% or more of the total voting rights in the company; or in fact exercises control over a company.
Controlling unitholder	:	(In relation to a real estate investment trust), a person who <ol style="list-style-type: none"> holds directly or indirectly 15% or more of the nominal amount of all voting units in the real estate investment trust; or in fact exercises control over the real estate investment trust.
Deposited Property	:	The gross assets of Ascendas Reit, including all its authorised investments held or deemed to be held upon the trust under the Trust Deed.
Directors	:	The directors of the Manager.
EGM	:	The extraordinary general meeting of Unitholders to be convened and held by way of electronic means on 6 July 2022 at 3.00 p.m. (Singapore Time), to approve the matters set out in the Notice of EGM on pages EGM-1 to EGM-7 of this Circular.
Europe Adjusted Deposited Property	:	All Europe Properties excluding derivative assets, properties under development and right-of-use assets.
Europe Asset Manager	:	CLI Europe as asset manager under the New Europe Master ALMA.
Europe Properties	:	All Ascendas Reit properties located in Europe.
Existing Australia AMAs	:	The Existing Australia Master AMA and the various existing individual asset management agreements entered into pursuant to the Existing Australia Master AMA.
Existing Australia Master AMA	:	The master asset management agreement dated 17 November 2016 entered into between the MIT Trustee and AFMA.
Existing Australia Strategic Management Agreement	:	The strategic management agreement dated 17 November 2016 entered into between the Manager, the MIT Trustee and AFMA.
Existing Europe ALMAs	:	The Existing Europe Master ALMA along with the various existing individual asset and lease management agreements entered into pursuant to the Existing Europe Master ALMA.

Existing Europe Master ALMA	:	The master asset and lease management agreement dated 16 August 2018 entered into between the Trustee, the Manager and AIPL which was subsequently novated to CLI Europe pursuant to a Deed of Novation dated 16 March 2021 entered into between the Trustee, the Manager, AIPL and CLI Europe.
Existing Lease Management Agreement	:	The lease management agreement relating to the Singapore Properties dated 18 September 2012 and entered into between the Trustee and the Manager.
Existing Management Agreements	:	Refers to all the agreements laid out in paragraph 1.2 of the Letter to Unitholders in this Circular.
Existing Portfolio	:	The portfolio of properties held by Ascendas Reit as at 31 March 2022, comprising 221 properties located in Singapore, Australia, the United States and the United Kingdom/Europe.
Existing Singapore Property Management Agreement	:	The property management agreement relating to the Singapore Properties dated 18 September 2012 and entered into between the Trustee, the Manager and ASPL.
Existing US ALMAs	:	The Existing US Master ALMA and the various existing individual asset and lease management agreements entered into pursuant to the Existing US Master ALMA.
Existing US Master ALMA	:	The master asset and lease management agreement dated 11 December 2019 entered into between the Trustee, the Manager and CapitaLand International USA LLC.
Fiscal Year	:	Means in respect of any property from time to time acquired by the Trustee as trustee of Ascendas Reit, the calendar year commencing on the 1 st day of January and ending on the 31 st day of December.
Glenville	:	Glenville Investments Pte. Ltd. (UEN: 201427783E).
Group	:	The Ascendas Reit group.
GST	:	Goods and Services Tax charged under the Goods and Services Tax Act 1993 of Singapore.
IFA	:	Deloitte & Touche Corporate Finance Pte Ltd (UEN: 200200144N), the independent financial adviser to the Audit and Risk Committee, the Independent Directors and the Trustee.
IFA Letter	:	The letter from the IFA to the Independent Directors, the Audit and Risk Committee and the Trustee containing its advice appended to this Circular as Appendix B .

Independent Directors	:	The independent Directors of the Manager, being Dr Beh Swan Gin, Mr Chan Pengee, Adrian, Mr Daniel Cuthbert Ee Hock Huat, Mr Chinniah Kunnasagaran and Ms Ong Lee Keang Maureen.
Latest Practicable Date	:	7 June 2022.
Listing Manual	:	The Listing Manual of the SGX-ST.
Manager	:	AFM, as manager of Ascendas Reit.
Mawson	:	Mawson Peak Holdings Pte. Ltd. (UEN: 201114895R).
MIT	:	Ascendas REIT Australia.
MIT Trustee:	:	PCT in its capacity as trustee of the MIT.
New Australia AMAs	:	The New Australia Master AMA and New Australia Individual AMAs collectively.
New Australia Individual AMAs	:	The individual asset and lease management agreements that will be entered from time to time by each sub-trust of the MIT and/or underlying property-holding company with AFMA or an individual asset manager as appointed by AFMA.
New Australia Master AMA	:	The proposed new master asset management agreement relating to the Australia Properties to be entered into between the MIT Trustee and AFMA in furtherance of the New Australia Strategic Management Agreement.
New Australia Strategic Management Agreement	:	The proposed new strategic management agreement relating to the Australia Properties to be entered into between the MIT Trustee, the Manager and AFMA.
New Europe ALMAs	:	The New Europe Master ALMA and New Europe Individual ALMAs collectively.
New Europe Individual ALMAs	:	The individual asset and lease management agreements that will be entered from time to time by each underlying property-holding company with the Europe Asset Manager or an individual asset manager as nominated by the Europe Asset Manager pursuant to the New Europe Master ALMA.
New Europe Master ALMA	:	The proposed new master asset and lease management agreement relating to the Europe Properties to be entered into between the Trustee, the Manager and the Europe Asset Manager as set out in paragraph 2.4.1 of the Letter to Unitholders in this Circular.

New US ALMAs	:	The New US Master ALMA and New US Individual ALMAs collectively.
New US Individual ALMAs	:	The individual asset and lease management agreements that will be entered from time to time by each underlying property-holding company with the US Asset Manager or an individual asset manager as nominated by the US Asset Manager pursuant to the New US Master ALMA.
New US Master ALMA	:	The proposed new master asset and lease management agreement relating to the US Properties to be entered into between the Trustee, the Manager and the US Asset Manager as set out in paragraph 2.3.1 of the Letter to Unitholders in this Circular.
New Management Agreements	:	Refers to all the agreements laid out in paragraph 2 of the Letter to Unitholders in this Circular.
New Singapore Lease Management Agreement	:	The proposed new lease management agreement relating to the Singapore Properties to be entered into between the Trustee and the Manager as set out in paragraph 2.1.3 of the Letter to Unitholders in this Circular.
New Singapore Project Management Agreement	:	The proposed new project management agreement relating to the Singapore Properties to be entered into between the Trustee, the Manager and the Singapore Project Manager as set out in paragraph 2.1.2 of the Letter to Unitholders in this Circular.
New Singapore Property Management Agreement	:	The proposed new property management agreement relating to the Singapore Properties to be entered into between the Trustee, the Manager and ASPL as set out in paragraph 2.1.1 of the Letter to Unitholders in this Circular.
Nominees	:	As defined in paragraph 2.1.3(i) of the Letter to Unitholders in this Circular.
NTA	:	Net tangible asset.
Ordinary Resolution	:	A resolution proposed and passed as such by a majority being greater than 50 per cent of the total number of votes cast for and against such resolution at a meeting of Unitholders.
PCT	:	Perpetual Corporate Trust Limited (Australian Business Number: 40421099434).
Proxy Form	:	The instrument appointing a proxy or proxies as set out in this Circular.
Renewed Property and Asset Managers	:	Refers to AFM, ASPL, CLD, AFMA, CLI USA and CLI Europe and their associates.

Securities Act	:	US Securities Act of 1933, as amended.
Singapore Lease Manager	:	AFM as lease manager of the New Singapore Lease Management Agreement.
Singapore Project Manager	:	CLD as project manager of the New Singapore Project Management Agreement.
Singapore Properties	:	All Ascendas Reit properties located in Singapore.
Singapore Property Manager	:	ASPL as property manager of the New Singapore Property Management Agreement.
SFA	:	Securities and Futures Act 2001.
Substantial Unitholder	:	A person with an interest in Units constituting not less than 5% of the total number of Units in issue.
Temasek	:	Temasek Holdings (Private) Limited (UEN: 197401143C).
Tembusu	:	Tembusu Capital Pte. Ltd. (UEN: 200407437Z).
TJ Holdings (III)	:	TJ Holdings (III) Pte. Ltd. (UEN: 201428428R).
Trust Deed	:	The trust deed dated 9 October 2002, as supplemented by the first supplemental deed dated 16 January 2004, the second supplemental deed dated 23 February 2004, the third supplemental deed dated 30 September 2004, the fourth supplemental deed dated 17 November 2004, the fifth supplemental deed dated 20 April 2006, the first amending and restating deed dated 11 June 2008, the seventh supplemental deed dated 22 January 2009, the eighth supplemental deed dated 17 September 2009, the ninth supplemental deed dated 31 May 2010, the tenth supplemental deed dated 22 July 2010, the eleventh supplemental deed dated 14 October 2011, the twelfth supplemental deed dated 19 October 2015, the thirteenth supplemental deed dated 26 January 2016, the second amending and restating deed dated 10 August 2017, the fifteenth supplemental deed dated 20 August 2018, the sixteenth supplemental deed dated 24 July 2019, the seventeenth supplemental deed dated 3 April 2020 and the eighteenth supplemental deed dated 28 November 2020, all entered into between the Manager and the Trustee, as amended, varied, or supplemented from time to time.
Trustee	:	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Ascendas Reit.
Unit Registrar	:	Boardroom Corporate & Advisory Services Pte. Ltd., the Unit Registrar of Ascendas Reit.

Unitholder	:	The registered holder for the time being of a Unit, including person(s) so registered as joint holders, except where the registered holder is CDP, the term “ Unitholder ” shall, in relation to Units registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Units.
Units	:	A unit representing an undivided interest in Ascendas Reit.
US Adjusted Deposited Property	:	All US Properties, excluding derivative assets, properties under development and right-of-use assets.
US Asset Manager	:	CLI USA as asset manager under the New US Master ALMA.
US Properties	:	All Ascendas Reit properties located in the United States.

In this Circular, references to “S\$” or “cents” are references to the lawful currency of Singapore.

The terms “Depositor” and “Depository Register” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

In this Circular, references to “US\$” are references to the lawful currency of the United States.

In this Circular, references to “£” are references to the lawful currency of the United Kingdom.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place unless otherwise stated.

For purposes of this Circular, references to “**properties of Ascendas Reit**” or its equivalent expression include all properties from time to time acquired or developed by the Trustee as trustee of Ascendas Reit, whether such properties are directly or indirectly acquired or developed or are wholly or partly owned by the Trustee as trustee of Ascendas Reit.

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APPENDIX A
SUMMARY OF KEY TERMS AND KEY UPDATES
IN THE NEW MANAGEMENT AGREEMENTS

1. Summary of Key Terms and Key Updates in the New Singapore Property Management Agreement

1.1 Property Management Services

Summary of Key Terms in the New Singapore Property Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	Key Updates
A fee of 2.0% per annum of the Adjusted Gross Revenue ⁽¹⁾ of each Singapore Property, and in the event that the Singapore Property Manager only manages such Singapore Property for less than one (1) calendar year, such amount to be pro-rated based on the number of days which the Singapore Property Manager manages such Singapore Property divided by the number of days in such year.	A fee of 2.0% per annum of the adjusted gross revenue ⁽²⁾ of each Singapore Property, and in the event that the Singapore Property Manager only manages such Singapore Property for less than one (1) calendar year, such amount to be pro-rated based on the number of days which the Singapore Property Manager manages such Singapore Property divided by the number of days in such year.	Under the New Singapore Property Management Agreement, the adjusted gross revenue has been expanded to include income derived from car park income and additional property tax recovered from tenants. Apart from the above, there is no material difference in the fees payable under the New Singapore Property Management Agreement and the Existing Singapore Property Management Agreement.

Notes:

- (1) Under the New Singapore Property Management Agreement, the Adjusted Gross Revenue in respect of a Singapore Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) and car park income from the Singapore Property, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a Singapore Property and the additional property tax recovered from tenants, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the Singapore Property including, but not limited to, utilities income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all GST collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.
- (2) Under the Existing Singapore Property Management Agreement, the adjusted gross revenue in respect of a Singapore Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) from the Singapore Property, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a Singapore Property, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the Singapore Property including, but not limited to, utilities income, car park income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all GST collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.

1.2 Marketing and Leasing Services

	Summary of Key Terms in the New Singapore Property Management Agreement		Summary of Key Terms in the Existing Singapore Property Management Agreement		Key Updates
	Length of Tenancy ⁽¹⁾ Secured	Commission Payable	Length of Tenancy ⁽¹⁾ Secured	Commission Payable	
(a)	Less than six months	Nil	Less than six months	Nil	<p>The relevant clause has been renamed to “Marketing and Leasing Services” as opposed to “Marketing and Sales Services” to streamline the scope of services provided by the Singapore Property Manager.</p> <p>Apart from the above, there is no material difference in the fees payable under the New Singapore Property Management Agreement and the Existing Singapore Property Management Agreement.</p>
(b)	Six months or more but less than three years	Equivalent to amount pro-rated based on a tenancy for three years as per (c) below	Six months or more but less than three years	Equivalent to amount pro-rated based on a tenancy for three years as per (c) below	
(c)	Three years	Equivalent to one month’s gross rent inclusive of service charge	Three years	Equivalent to one month’s gross rent inclusive of service charge	
(d)	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below	
(e)	Five years	Equivalent to two months’ gross rent inclusive of service charge	Five years	Equivalent to two months’ gross rent inclusive of service charge	
(f)	More than five years with the terms of the tenancy subject to the prior approval of the Manager	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to three months’ gross rent inclusive of service charge	More than five years with the terms of the lease subject to the prior approval of the Manager	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to three months’ gross rent inclusive of service charge	

	Summary of Key Terms in the New Singapore Property Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	
	Administrative Charge	Administrative Charge	Key Updates
(g)	<p>The Singapore Property Manager shall be responsible for all commissions payable to such third-party agent and the prior approval of the Manager is required for the Singapore Property Manager to pay a third-party agent a commission that is less than as set out above.</p> <p>An administrative charge of 20.0% of the commission payable to AFM (in its personal capacity) or the Singapore Property Manager in the case of a new lease being secured which involves a third-party agent for the marketing support and administrative services to be rendered either by AFM (in its personal capacity) or the Singapore Property Manager, respectively.</p> <p>If the Manager does not provide the relevant marketing administrative support and such marketing administrative support is provided by the Singapore Property Manager, then the Singapore Property Manager shall be entitled to be paid a marketing administrative charge of 20.0% of the commission payable to the third-party agent in the case of a new lease being secured which involves a third-party agent.</p>	<p>The Singapore Property Manager shall be responsible for all commissions payable to such third-party agent and the prior approval of the Manager is required for the Singapore Property Manager to pay a third-party agent a commission that is less than as set out above.</p> <p>An administrative charge of 20.0% of the commission is payable to the Manager or the Singapore Property Manager in the case of a new lease take-up which involves a third-party agent for the marketing support and administrative services to be rendered either by the Manager or the Singapore Property Manager.</p> <p>If the Manager does not provide the marketing support and administrative services and is instead provided by the Singapore Property Manager to a third-party agent, then the Singapore Property Manager shall be entitled to be paid a marketing administrative charge of 20.0% of the commission payable to the third-party agent in the case of a new lease take-up which involves a third-party agent.</p>	<p>The term “new lease take-up” has been amended to “new lease being secured” for consistency in terminology.</p> <p>Other than the above, there is no material difference in the 20.0% administrative charge payable under the New Singapore Property Management Agreement and the Existing Singapore Property Management Agreement.</p>

	Summary of Key Terms in the New Singapore Property Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	
	Premature Termination	Premature Termination	Key Updates
(h)	<p>In the event the tenancy is prematurely terminated within six months of the commencement of the tenancy, the Singapore Property Manager shall refund 50.0% of the commission paid to the Singapore Property Manager provided that if the tenant fully compensates Ascendas Reit for the pre-termination (taking into account the loss of income and related expenses) the Singapore Property Manager need not refund 50.0% of the commission it received, and if the tenant only compensates Ascendas Reit for a proportion of the loss, the amount refunded to Ascendas Reit by the Singapore Property Manager would be pro-rated based on the unrecovered loss divided by the aggregate total loss multiplied by 50.0% of the commission paid to the Singapore Property Manager.</p>	<p>In the event the tenancy is prematurely terminated within six months of the commencement of the tenancy, the Singapore Property Manager shall:</p> <p>(a) where no third-party agent is involved, refund 50.0% of the commission paid to the Singapore Property Manager provided that if the tenant fully compensates Ascendas Reit for the pre-termination (taking into account the loss of income and related expenses) the Singapore Property Manager need not refund 50.0% of the commission it received, and if the tenant only compensates Ascendas Reit for a proportion of the loss, the amount refunded to Ascendas Reit by the Singapore Property Manager would be pro-rated based on the unrecovered loss divided by the aggregate total loss multiplied by 50.0% of the commission paid to the Singapore Property Manager; or</p> <p>(b) where a third-party agent is involved, procure (on a best effort basis) the third-party agent to refund to the Trustee 50.0% of the commission paid to the third-party agent by ASPL paid to the third-party agent by ASPL, provided that If the tenant fully compensates Ascendas Reit for the pre-termination (taking into account the loss of income and related expenses) the third-party agent need not refund 50.0% of its commission. If the tenant only compensates Ascendas Reit for a proportion of the loss, the amount to be refunded to Ascendas Reit by the third-party agent (which shall be procured by ASPL on a best effort basis) would be pro-rated based on the unrecovered loss divided by the aggregate total loss multiplied by 50.0% of the commission paid to the third-party agent.</p>	<p>Under the New Singapore Property Management, Ascendas Reit is no longer entitled to a 50.0% refund on the commission paid to a third-party agent paid by the Singapore Property Manager. This change was made to align with market practice.</p> <p>Other than the above, there is no material difference in the 50.0% refund payable by the Singapore Property Manager to Ascendas Reit.</p>

Note:

- (1) The reference to “**new tenancies**” refers to tenancies entered into with new tenants of Ascendas Reit. The term “**tenancy**” or “**lease**” shall also be construed to include any licence and all other forms occupation arrangements (including licences) and the term “**tenants**” shall be construed accordingly.

1.3 Project Management Services

	Summary of Key Terms in the New Singapore Property Management Agreement		Summary of Key Terms in the Existing Singapore Property Management Agreement		Key Updates
	Amount of Construction Cost ⁽¹⁾⁽³⁾	Fee	Amount of Construction Cost ⁽²⁾⁽³⁾	Fee	
(a)	S\$2 million or less	Three per cent (3.0%) of the construction costs	S\$2 million or less	Three per cent (3.0%) of the construction costs	The scope of the project management services provided by the Singapore Property Manager has been narrowed down (see notes 1 and 2 for the exact differences in scope).
(b)	Exceed S\$2 million but do not exceed S\$12 million	Two point one five per cent (2.15%) of the construction costs	Exceed S\$2 million but do not exceed S\$12 million	Two point one five per cent (2.15%) of the construction costs	
(c)	Exceed S\$12 million but do not exceed S\$40 million	One point four five per cent (1.45%) of the construction costs	Exceed S\$12 million but do not exceed S\$40 million	One point four five per cent (1.45%) of the construction costs	There is also a maximum limit on the fees payable at 1.35% of the construction costs for projects exceeding S\$100 million. This is consistent with the current practice of the Manager.
(d)	Exceed S\$40 million but do not exceed S\$70 million	One point four per cent (1.4%) of the construction costs	Exceed S\$40 million but do not exceed S\$70 million	One point four per cent (1.4%) of the construction costs	
(e)	Exceed S\$70 million but do not exceed S\$100 million	One point three five per cent (1.35%) of the construction costs	Exceed S\$70 million but do not exceed S\$100 million	One point three five per cent (1.35%) of the construction costs	
(f)	Exceed S\$100 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs	Exceed S\$100 million	To be mutually agreed by the parties	Apart from the above, there is no material difference in the fees payable under the New Singapore Property Management Agreement and the Existing Singapore Property Management Agreement.

Notes:

- (1) Under the New Singapore Property Management Agreement, in respect of the project management services to be provided by the Singapore Property Manager for a Singapore Property, the Singapore Property Manager shall be obliged to carry out the following works and shall be entitled to fees concerning:
- (a) (if required by the Manager at its sole discretion for the Singapore Property Manager to do so) routine refurbishment, retrofitting, renovation and reinstatement works to or at a Singapore Property; or
 - (b) for routine maintenance where the expenses for the routine maintenance of the Property results in such expenses being classified as capital expenditure under the Singapore Financial Reporting Standards.

- (2) Under the Existing Singapore Property Management Agreement, in respect of the project management services provided by the Singapore Property Manager for a Singapore Property, the Singapore Property Manager was obliged to carry out the following works and shall be entitled to fees concerning:
- (a) development, re-development, refurbishment, retrofitting and renovation works to a Singapore Property where submission to the relevant authorities for the approval of such works is required; or
 - (b) for routine maintenance where the expenses for the routine maintenance of the Property results in such expenses being classified as capital expenditure under the Singapore Financial Reporting Standards.
- (3) For the purpose of calculating the fees payable to the Singapore Property Manager, “**construction costs**” means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project (including but without limitation to development, redevelopment and capital expenditure works), but excluding development charges, differential premiums, statutory payments, consultants’ professional fees and GST.

1.4 Reimbursable Employment Costs for Site-Staff

Summary of Key Terms in the New Singapore Property Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	Key Updates
The Trustee shall (i) reimburse the base salary of the employees of the Singapore Property Manager (approved by the Manager) engaged solely for site supervision of the Singapore Properties (such costs are part of the annual business plan and budget approved by the Trustee on the recommendation of the Manager or otherwise agreed between the Trustee and the Manager) and (ii) pay a fee of 10.0% of such base salary.		There is no material difference in the fees payable under the New Singapore Property Management Agreement and the Existing Singapore Property Management Agreement.

1.5 Energy Audit Services

Summary of Key Terms in the New Singapore Property Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	Key Updates
NA	If the Singapore Property Manager is engaged to conduct energy audit services on the Singapore Properties, the Trustee shall pay the Singapore Property Manager an energy audit fee of S\$4,000 for the first two chillers in a Singapore Property and S\$2,000 for each subsequent chiller in the same Singapore Property (being the base energy audit fee) plus 40.0% of the savings achieved during the first three years after the completion of the said works in such Singapore Property subject to a maximum fee of S\$40,000 per Property (such amount shall be inclusive of the base energy audit fee and the fees based on the savings achieved).	As at the Latest Practicable Date, all the Singapore Properties have completed their relevant energy audits. Accordingly, the energy audit services of the Singapore Property Manager will no longer be required and the Singapore Property Manager will not be entitled to any fees in relation to it.

1.6 Third-party Facility Management Agreement

Summary of Key Terms in the New Singapore Property Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	Key Updates
<p>In the situation where a tenant insists on contracting with Ascendas Reit (through the Trustee and/or the Manager) for facility management services even though such services will be performed by the Singapore Property Manager, the Trustee shall pay the Singapore Property Manager any fees which it receives from a tenant of Ascendas Reit which is payable by such tenant as a result of the Trustee or the Manager (on behalf of Ascendas Reit) engaging the Singapore Property Manager on a back-to-back basis to serve as a facility manager for such tenant.</p>		<p>There is no material difference in the fees payable under the New Singapore Property Management Agreement and the Existing Singapore Property Management Agreement.</p>

1.7 Reimbursable Advertising Costs

Summary of Key Terms in the New Singapore Property Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	Key Updates
<p>The Trustee shall reimburse the Singapore Property Manager for the cost of advertising incurred by the Singapore Property Manager in relation to the promotion of leasing for the Singapore Property provided that prior approval of the Manager for such cost incurred has been obtained.</p>		<p>There is no material difference in the fees payable under the New Singapore Property Management Agreement and the Existing Singapore Property Management Agreement.</p>

1.8 Reimbursable Customer Care Costs

Summary of Key Terms in the New Singapore Property Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	Key Updates
<p>The Trustee shall reimburse the Singapore Property Manager for the cost of customer care incurred by the Singapore Property Manager in relation to tenants of the Singapore Property provided that prior approval of the Manager for such cost incurred has been obtained.</p>		<p>There is no material difference in the fees payable under the New Singapore Property Management Agreement and the Existing Singapore Property Management Agreement.</p>

1.9 Project Management Expenses

Summary of Key Terms in the New Singapore Property Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	Key Updates
<p>The Trustee, on the recommendation of the Manager, shall reimburse the Singapore Property Manager for:</p> <ul style="list-style-type: none"> (a) costs for printing drawings, documents and other lithography expenses incurred for calling of tenders; (b) costs for preparing and printing perspectives, plans, models and any materials required for marketing purposes and costs of all submissions to authorities; (c) overseas travelling and accommodation expenses and other similar disbursements in respect of the Singapore Property Manager acting on the instructions of the Trustee for any purpose in connection with and/or arising out of the project; and (d) costs of tele-conferencing, video conferencing and/or project management portal in connection with and/or arising out of the project, <p>provided that such costs shall have been pre-approved by the Trustee, on the recommendation of the Manager and shall be supported, where available, by vouchers, receipts and other documentary evidence, and provided further, that such costs shall be in accordance with the budget (if any) which may have been approved by the Trustee for the project in connection with or arising from which the costs were incurred.</p>		<p>There is no material difference in the fees payable under the New Singapore Property Management Agreement and the Existing Singapore Property Management Agreement.</p>

1.10 Car Park Management Expenses

Summary of Key Terms in the New Singapore Property Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	Key Updates
<p>The Trustee shall be responsible for all capital expenditure and operating expenses in relation to the car park management of the Singapore Properties.</p>	<p>The Trustee shall pay the Singapore Property Manager the following car park management fees:</p> <p>(i) in relation to the managed car parks, the base car park fee of S\$2.16 million per annum and 40.0% of hourly parking collections for such car parks (excluding GST); and</p> <p>(ii) in the event that additional car parks are subsequently added to or removed from the list of managed car parks, the base car park management fee shall be adjusted as follows:</p> <p>(a) in relation to a Singapore Property which has up to 100 car park lots – the base car park fee shall be increased (in the case of additional car parks being added to the managed car parks) or decreased (in the case of car parks being removed from the managed car park) by S\$35 per car park lot per month multiplied by the number of car park lots in such Singapore Property; and</p> <p>(b) in relation to a Singapore Property which has more than 100 car park lots – the base car park fee shall be increased (in the case of additional car parks being added to the managed car parks) or decreased (in the case of car parks being removed from the managed car parks) by management fees of S\$25 per car park lot per month multiplied by the number of car park lots in such Singapore Property.</p>	<p>The relevant clause has been renamed to “Car Park Management Expenses” from “Car Park Management Services” to reflect the change wherein the car park management services will be subsumed under the property management services as described in paragraph 1.1 of Appendix A above.</p> <p>As a result of this change, the Trustee is no longer required to pay a separate car park management fee to the Singapore Property Manager and Ascendas Reit will now be entitled to 100.0% of the hourly parking collections from the Singapore Properties.</p> <p>Further, under the New Singapore Property Management Agreement, the Trustee will now be responsible for all capital expenditure and operating expenses as compared to the Existing Singapore Property Management Agreement wherein the Singapore Property Manager was directly responsible for all capital expenditure and operating expenses (which collectively formed a subset of the car park management fees payable to the Singapore Property Manager).</p> <p>This change will not be detrimental to Ascendas Reit and will result in net cost savings as set out in the illustrative table in paragraph 3.3 of this Circular.</p>

2. Summary of Key Terms and Key Updates in the New Singapore Project Management Agreement

2.1 Project Management Services

	Summary of Key Terms in the New Singapore Project Management Agreement		Summary of Key Terms in the Existing Singapore Property Management Agreement		
	Amount of Construction Cost ⁽¹⁾ ⁽³⁾	Fee	Amount of Construction Cost ⁽²⁾ ⁽³⁾	Fee	Key Updates
(a)	S\$2 million or less	Three per cent (3.0%) of the construction costs	S\$2 million or less	Three per cent (3.0%) of the construction costs	The scope of services provided by the Singapore Project Manager is narrowed down from the services provided by the Singapore Property Manager (see notes 1 and 2 for the exact differences in scope). There is also a maximum limit on the fees payable at 1.35% of the construction costs for projects exceeding S\$100 million. This is consistent with the current practice of the Manager. Apart from the above, there is no material difference in the fees payable under the New Singapore Project Management Agreement and the Existing Singapore Property Management Agreement.
(b)	Exceed S\$2 million but do not exceed S\$12 million	Two point one five per cent (2.15%) of the construction costs	Exceed S\$2 million but do not exceed S\$12 million	Two point one five per cent (2.15%) of the construction costs	
(c)	Exceed S\$12 million but do not exceed S\$40 million	One point four five per cent (1.45%) of the construction costs	Exceed S\$12 million but do not exceed S\$40 million	One point four five per cent (1.45%) of the construction costs	
(d)	Exceed S\$40 million but do not exceed S\$70 million	One point four per cent (1.4%) of the construction costs	Exceed S\$40 million but do not exceed S\$70 million	One point four per cent (1.4%) of the construction costs	
(e)	Exceed S\$70 million but do not exceed S\$100 million	One point three five per cent (1.35%) of the construction costs	Exceed S\$70 million but do not exceed S\$100 million	One point three five per cent (1.35%) of the construction costs	
(f)	Exceed S\$100 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs	Exceed S\$100 million	To be mutually agreed by the parties	

Notes:

- (1) Under the New Singapore Project Management Agreement, in respect of the project management services to be provided by the Singapore Project Manager for a Singapore Property, the Singapore Project Manager shall be obliged to carry out the following works and shall be entitled to fees concerning routine refurbishment, retrofitting, renovation and reinstatement works (if the Singapore Project Manager is required by the Manager at its sole discretion to provide project management services for such works), development, re-development and asset enhancement initiatives.
- (2) Under the Existing Singapore Property Management Agreement, in respect of the project management services provided by the Singapore Property Manager for a Singapore Property, the Singapore Property Manager was obliged to carry out the following works and shall be entitled to fees concerning:
 - (a) development, re-development, refurbishment, retrofitting and renovation works to a Singapore Property where submission to the relevant authorities for the approval of such works is required; and
 - (b) for routine maintenance where the expenses for the routine maintenance of the Property results in such expenses being classified as capital expenditure under the Singapore Financial Reporting Standards.
- (3) For the purpose of calculating the fees payable to the Singapore Property Manager, “**construction costs**” means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project (including but without limitation to development, redevelopment and capital expenditure works), but excluding development charges, differential premiums, statutory payments, consultants’ professional fees and GST.

2.2 Project Management Expenses

Summary of Key Terms in the New Singapore Project Management Agreement	Summary of Key Terms in the Existing Singapore Property Management Agreement	Key Updates
<p>The Trustee, on the recommendation of the Manager, shall reimburse the Singapore Project Manager for:</p> <p>(a) costs for printing drawings, documents and other lithography expenses incurred for calling of tenders;</p> <p>(b) costs for preparing and printing perspectives, plans, models and any materials required for marketing purposes and costs of all submissions to authorities;</p> <p>(c) overseas travelling and accommodation expenses and other similar disbursements in respect of the Singapore Project Manager acting on the instructions of the Trustee for any purpose in connection with and/or arising out of the project; and</p> <p>(d) costs of tele-conferencing, video conferencing and/or project management portal in connection with and/or arising out of the project,</p> <p>provided that such costs shall have been pre-approved by the Trustee, on the recommendation of the Manager and shall be supported, where available, by vouchers, receipts and other documentary evidence, and provided further, that such costs shall be in accordance with the budget (if any) which may have been approved by the Trustee for the project in connection with or arising from which the costs were incurred.</p>		<p>There is no material difference in the fees payable under the New Singapore Project Management Agreement and the Existing Singapore Property Management Agreement.</p>

3. Summary of Key Terms and Key Updates in the New Singapore Lease Management Agreement

3.1 Lease Management Services

	Summary of Key Terms in the New Singapore Lease Management Agreement	Summary of Key Terms in the Existing Singapore Lease Management Agreement	Key Updates
(a)	<p>In respect of the lease management services provided by the Singapore Lease Manager for a Singapore Property, the Trustee shall pay the Singapore Lease Manager, for each Fiscal Year, a fee of 1.0% per annum of the Adjusted Gross Revenue⁽¹⁾ of such Singapore Property.</p>	<p>In respect of the lease management services provided by the Singapore Lease Manager for a Singapore Property, the Trustee shall pay to the Singapore Lease Manager, for each Fiscal Year, a fee of 1.0% per annum of the adjusted gross revenue⁽²⁾ of such Singapore Property.</p>	<p>Under the New Singapore Lease Management Agreement, the adjusted gross revenue has been expanded to include income derived from car park income and additional property tax recovered from tenants.</p> <p>Apart from the above, there is no material difference in the fees payable under the New Singapore Lease Management Agreement and the Existing Singapore Lease Management Agreement.</p>

		Tenancy Renewal Fee		
	Summary of Key Terms in the New Singapore Lease Management Agreement	Summary of Key Terms in the Existing Singapore Lease Management Agreement		
	-	Length of Tenancy Renewal	Commission Payable	
(a)	See below for clearer breakdown of tenancy renewal fees.	Less than six months	Nil	<p>Under the New Singapore Management Agreement, clearer language will be adopted to delineate tenancy renewals, which are inclusive of expansion cases, into renewals that retain the net lettable area and renewals that have taken on additional lettable area.</p> <p>Apart from the above, there is no material difference in the fees payable under the New Singapore Lease Management Agreement and the Existing Singapore Lease Management Agreement.</p>
(b)		More than six months but less than one year	Equivalent to amount pro-rated based on a tenancy for between one year and three years as per (b) below	
(c)		One year or more but less than three years	Equivalent to half month's gross rent inclusive of service charge	
(d)		More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (d) below	
(e)		Five years	Equivalent to one month's gross rent inclusive of service charge	
(f)		More than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (d) above, provided always that the commission payable shall not exceed a sum equivalent to one and a half months' gross rent inclusive of service charge	

		Leasing commission in relation to a tenancy renewal (where an existing tenant of Ascendas Reit renews its tenancy for the same or less net lettable area irrespective of whether it is in respect of the same location)			
		Summary of Key Terms in the New Singapore Lease Management Agreement			Summary of Key Terms in the Existing Singapore Lease Management Agreement
Length of Tenancy Renewal	Commission Payable		–		
(a)	Less than six months	Nil		–	<p>Under the New Singapore Management Agreement, clearer language will be adopted to delineate tenancy renewals, which are inclusive of expansion cases, into renewals that retain the net lettable area and renewals that have taken on additional lettable area.</p> <p>Apart from the above, there is no material difference in the fees payable under the New Singapore Lease Management Agreement and the Existing Singapore Lease Management Agreement.</p>
(b)	More than six months but less than one year	Equivalent to amount pro-rated based on a tenancy for between one year and three years as per (c) below		–	
(c)	One year or more but less than three years	Equivalent to half month's gross rent inclusive of service charge		–	
(d)	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below		–	
(e)	Five years	Equivalent to one month's gross rent inclusive of service charge		–	
(f)	More than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to one and a half months' gross rent inclusive of service charge		–	

Leasing commission in relation to a tenancy renewal where an existing tenant renews its tenancy for a larger net lettable area irrespective of whether it is in respect of the same location					
Summary of Key Terms in the New Singapore Lease Management Agreement					Summary of Key Terms in the Existing Singapore Lease Management Agreement
Original Net Lettable Area ⁽³⁾			Additional Net Lettable Area ⁽⁴⁾		
	Length of Tenancy Renewal	Commission Payable	Length of Tenancy Renewal	Commission Payable	–
(a)	Less than six months	Nil	Less than six months	Nil	–
(b)	More than six months but less than one year	Equivalent to amount pro-rated based on a tenancy for between one year and three years as per (c) below	Six months or more but less than three years	Equivalent to amount pro-rated based on a tenancy for three years as per (c) below	–
(c)	One year or more but less than three years	Equivalent to half month's gross rent inclusive of service charge	Three years	Equivalent to one month's gross rent inclusive of service charge	–
(d)	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below	–
(e)	Five years	Equivalent to one month's gross rent inclusive of service charge	Five years	Equivalent to two months' gross rent inclusive of service charge	–
(f)	More than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to one and a half months' gross rent inclusive of service charge	More than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to three months' gross rent inclusive of service charge	–

Under the New Singapore Management Agreement, clearer language will be adopted to delineate tenancy renewals, which are inclusive of expansion cases, into renewals that retain the net lettable area and renewals that have taken on additional lettable area.

Apart from the above, there is no material difference in the fees payable under the New Singapore Lease Management Agreement and the Existing Singapore Lease Management Agreement.

	Leasing Commission for new take-up of space by an existing tenant or where the space is taken up by a new tenant introduced by an existing tenant				Key Updates
	Summary of Key Terms in the New Singapore Lease Management Agreement		Summary of Key Terms in the Existing Singapore Lease Management Agreement		
	Length of Tenancy Secured	Commission Payable	Length of Tenancy Secured	Commission Payable	
a	Less than six months	Nil	Less than six months	Nil	Under the New Singapore Lease Management Agreement, a new take-up of space with more than five years is subject to the approval of the Manager. Save for the above, there is no material difference in the fees payable under the New Singapore Lease Management Agreement and the Existing Singapore Lease Management Agreement.
b	Six months or more but less than three years	Equivalent to amount pro-rated based on a tenancy for three years as per (c) below	Six months or more but less than three years	Equivalent to amount pro-rated based on a tenancy for three years as per (c) below	
c	Three years	Equivalent to one month's gross rent inclusive of service charge	Three years	Equivalent to one month's gross rent inclusive of service charge	
d	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below	More than three years but less than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) below	
e	Five years	Equivalent to two months' gross rent inclusive of service charge	Five years	Equivalent to two months' gross rent inclusive of service charge	
f	More than five years with the terms of the tenancy subject to the prior approval of the Manager	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to three months' gross rent inclusive of service charge	More than five years	Equivalent to amount pro-rated based on a tenancy for five years as per (e) above, provided always that the commission payable shall not exceed a sum equivalent to three months' gross rent inclusive of service charge	

Notes:

- (1) Under the New Singapore Property Management Agreement, the Adjusted Gross Revenue in respect of a Singapore Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) and car park income from the Singapore Property, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a Singapore Property and the additional property tax recovered from tenants, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the Singapore Property including, but not limited to, utilities income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all GST collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.

- (2) Under the Existing Singapore Property Management Agreement, the adjusted gross revenue in respect of a Singapore Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) from the Singapore Property, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a Singapore Property, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the Singapore Property including, but not limited to, utilities income, car park income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all GST collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.
- (3) The original net lettable area refers to the net lettable area leased by the tenant prior to the renewal.
- (4) The additional net lettable area refers to the increase in the net lettable area taken up by the existing tenant under the tenancy renewal when compared to the original net lettable area.

3.2 Property Tax Objections and Savings

	Summary of Key Terms in the New Singapore Lease Management Agreement	Summary of Key Terms in the Existing Singapore Lease Management Agreement	
	Property tax objections which result in property tax-savings		
	Proposed Annual Value	Fee	Key Updates
(a)	S\$1.0 million or less	7.5% of the property tax savings	There is no material difference in the fees payable under the New Singapore Lease Management Agreement and the Existing Singapore Lease Management Agreement.
(b)	More than S\$1.0 million but does not exceed S\$5.0 million	5.5% of the property tax savings	
(c)	More than S\$5.0 million	5.0% of the property tax savings	

4. Summary of Key Terms and Key Updates in the New Australia Strategic Management Agreement

4.1 Fees Payable

Summary of Key Terms in the New Australia Strategic Management Agreement	Summary of Key Terms in the Existing Australia Strategic Management Agreement	Key Updates
In respect of the strategic management services ⁽¹⁾ provided by the Australia Strategic Manager, the Australia Strategic Manager is entitled to an aggregate fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue ⁽²⁾ of such Australia Properties for which strategic management services are provided.	In respect of the strategic management services ⁽¹⁾ provided by the Australia Strategic Manager, the Australia Strategic Manager is entitled to an aggregate fee of one per cent (1.0%) per annum of the adjusted gross revenue ⁽³⁾ of such Australia Properties for which strategic management services are provided.	Save for the expanded definition of Adjusted Gross Revenue under the New Australia Strategic Management Agreement, there is no material difference in the fees payable under the New Australia Strategic Management Agreement and the Existing Australia Strategic Management Agreement.

Notes:

- (1) The strategic management services to be provided by the Australia Strategic Manager under the New Australia Strategic Management Agreement include the following (i) strategic management in relation to the Australia Properties such as proactive portfolio management, engagement with tenants and reviewing the tenants' business plans to facilitate their growth and expansion needs; (ii) supervising and providing instructions to the third-party licensed real estate agents who will be providing the property management services in respect of the Australia Properties; (iii) providing contract administration functions (including the management of billing functions) in relation to the various property management agreements entered into between the relevant sub-trusts and the relevant third-party licensed real estate agents, to the extent that the provision of such services do not require the Australia Strategic Manager to hold the relevant Australian estate agents licence.
- (2) Under the New Australia Strategic Management Agreement, "Adjusted Gross Revenue" in respect of an Australia Property and in relation to any Fiscal Year or part thereof, means gross rental income and car park income (after deducting rent rebates and other tenant incentives amortised or otherwise) from the Australia Property, all penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of an Australia Property and the additional property tax recovered from tenants, but shall exclude all other income earned by the MIT such as (i) all other income earned from the Australia Property including, but not limited to, utilities income, car park income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all goods and services tax collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.
- (3) Under the Existing Australia Strategic Management Agreement, "adjusted gross revenue" in respect of an Australia Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) from the Australia Property, all penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of an Australia Property, but shall exclude all other income earned by the MIT such as (i) all other income earned from the Australia Property including, but not limited to, utilities income, car park income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all goods and services tax collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.

5. Summary of Key Terms and Key Updates in the New Australia Master AMA

5.1 Fees Payable

Summary of Key Terms in the New Australia Master AMA	Summary of Key Terms in the Existing Australia Master AMA	Key Updates
The Australia Asset Manager is entitled to all reasonable costs in providing the property management services for the Australia Properties. The fees payable shall not be less than the fees incurred in the retention of services of one or more licensed real estate agent engaged to assist in the provision of the property management services. The fees will also be adjusted (so as to avoid double counting) for any fee paid to the Australia Asset Manager for the performance of the services provided pursuant to any Individual Australia AMAs.		There is no material difference in the fees payable under the New Australia Master AMA and the Existing Australia Master AMA.

6. Summary of Key Terms and Key Updates in the New Australia Individual AMA

6.1 Fees Payable

Summary of Key Terms in the New Australia Individual AMAs	Summary of Key Terms in the Existing Australia Individual AMAs	Key Updates
The Australia Asset Manager is entitled to remuneration for, and costs of providing, the property management services as agreed by the parties acting reasonably, but which will be not less than the licensed real estate agent engaged to assist in the provision of the property management services.		There is no material difference in the fees payable under the New Australia Individual AMAs and the Existing Australia Individual AMAs.

7. Summary of Key Terms and Key Updates in the New US Master ALMA

7.1 Asset Management Fees

Summary of Key Terms in the New US Master ALMA	Summary of Key Terms in the Existing US Master ALMA	Key Updates
In respect of the asset management services ⁽¹⁾ provided by the US Asset Manager or, as the case may be, the relevant individual asset manager for a US Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to the US Asset Manager or, as the case may be, the relevant individual asset manager a fee not exceeding the rate of 0.3% per annum of the total value of the US Adjusted Deposited Property ⁽²⁾ for which the asset management services are provided.	In respect of the asset management services ⁽¹⁾ provided by the US Property Manager for a US Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to the US Property Manager a fee not exceeding the rate of 0.4% per annum of the total value of the adjusted deposited property ⁽³⁾ for which the asset management services are provided.	<p>Under the New US Master ALMA, the fee payable has been adjusted to not exceeding 0.3% per annum of the total value of the US Adjusted Deposited Property.</p> <p>The definition of the US Adjusted Deposited Property has also been updated to exclude right-of-use assets.</p> <p>Apart from the above, there is no material difference in the fees payable under the New US Master ALMA and the Existing US Master ALMA.</p>

Notes:

- (1) Asset management services to be provided pertain to marketing support, property positioning, premises hand-over/taking-over, tenants’ fitting out, customer relationship management, procurement and contract management, maintenance management, insurance and administrative management, building regulations and safety, accounting and finance.
- (2) The US Adjusted Deposited property means all US Properties excluding derivative assets, properties under development and right-of-use assets.
- (3) The adjusted deposited property means all US Properties excluding derivative assets and properties under development.

7.2 Lease Management Fees

Summary of Key Terms in the New US Master ALMA	Summary of Key Terms in the Existing US Master ALMA	Key Updates
<p>In respect of lease management services provided by the US Property Manager or, as the case may be, the relevant individual asset manager for a US Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to the US Property Manager or, as the case may be, the relevant individual asset manager a fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue⁽¹⁾ of such US Properties for which lease management services are provided.</p>	<p>In respect of lease management services provided by the US Property Manager for a US Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to the US Property Manager a fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue⁽²⁾ of such US Properties for which lease management services are provided.</p>	<p>Save for the expanded definition of Adjusted Gross Revenue under the New US Master ALMA, there is no material difference in the fees payable under the New US Master ALMA and the Existing US Master ALMA.</p>

Notes:

- (1) Under the New US Master ALMA, "Adjusted Gross Revenue" means in respect of a US Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) and car park income from the US Property, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a US Property and the additional property tax recovered from tenants, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the US Property including, but not limited to, utilities income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all sales tax collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.
- (2) Under the Existing US Master ALMA, in respect of a US Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) from the US Property, all penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a US Property, but shall exclude (a) all real estate, rent occupancy or similar taxes paid by tenants, refunds of real estate tax, operating expense or similar pass-through expenses collected from tenants, amounts charged to tenants for overtime HVAC and similar extraordinary services, and license or similar revenue generated from the letting of rooftop space and (b) all other income earned by Ascendas Reit such as (i) all other income earned from the US Property including, but not limited to, utilities income, car park income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all goods and services tax or tax collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.

7.3 Project Management Fees

	Summary of Key Terms in the New US Master ALMA		Summary of Key Terms in the Existing US Master ALMA		Key Updates
	Amount of Construction Cost ⁽¹⁾	Fee	Amount of Construction Cost ⁽¹⁾	Fee	
(a)	US\$1.4 million or less	Three per cent (3.0%) of the construction costs	US\$1.4 million or less	Three per cent (3.0%) of the construction costs	There is no material difference in the fees payable under the New US Master ALMA and the Existing US Master ALMA.
(b)	Exceed US\$1.4 million but do not exceed US\$8.4 million	Two point one five per cent (2.15%) of the construction costs	Exceed US\$1.4 million but do not exceed US\$8.4 million	Two point one five per cent (2.15%) of the construction costs	
(c)	Exceed US\$8.4 million but do not exceed US\$28.0 million	One point four five per cent (1.45%) of the construction costs	Exceed US\$8.4 million but do not exceed US\$28.0 million	One point four five per cent (1.45%) of the construction costs	
(d)	Exceed US\$28.0 million but do not exceed US\$49.0 million	One point four per cent (1.4%) of the construction costs	Exceed US\$28.0 million but do not exceed US\$49.0 million	One point four per cent (1.4%) of the construction costs	
(e)	Exceed US\$49.0 million but do not exceed US\$70.0 million	One point three five per cent (1.35%) of the construction costs	Exceed US\$49.0 million but do not exceed US\$70.0 million	One point three five per cent (1.35%) of the construction costs	
(f)	Exceed US\$70.0 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs	Exceed US\$70.0 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs	

Note:

- (1) For the purpose of calculating the project management fees payable to the US Asset Manager or, as the case may be, the relevant individual asset manager, “**construction costs**” means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project, but excluding development charges, differential premiums, statutory payments, consultants’ professional fees and sales taxes.

8. Summary of Key Terms and Key Updates in the New US Individual ALMAs

8.1 Asset Management Fees

Summary of Key Terms in the New US Individual ALMAs	Summary of Key Terms in the Existing US Individuals ALMAs	Key Updates
<p>In respect of the asset management services⁽¹⁾ provided by the individual asset manager for a US Property, the owner shall pay to the asset manager a fee not exceeding the rate of 0.3% per annum of the US Adjusted Deposited Property⁽²⁾ for which the services are provided.</p>	<p>In respect of the asset management services⁽¹⁾ provided by the individual asset manager for a US Property, the owner shall pay to the asset manager a fee not exceeding the rate of 0.4% per annum of the adjusted deposited property⁽³⁾ for which the services are provided.</p>	<p>Under the New US Individual ALMAs, the fee payable has been adjusted to not exceed 0.3% per annum of the total value of the US Adjusted Deposited Property.</p> <p>The definition of the US Adjusted Deposited Property has also been updated to exclude right-of-use assets.</p> <p>Apart from the above, there is no material difference in the fees payable under the New US Individual ALMAs and the Existing US Individual ALMAs.</p>

Notes:

- (1) Asset management services to be provided by the individual asset manager pertain to marketing support, property positioning, premises hand-over/taking-over, tenants' fitting out, customer relationship management, procurement and contract management, maintenance management, insurance and administrative management, building regulations and safety, accounting and finance.
- (2) The US Adjusted Deposited property means all US Properties excluding derivative assets, properties under development and right-of-use assets.
- (3) The adjusted deposited property means all US Properties excluding derivative assets and properties under development.

8.2 Lease Management Fees

Summary of Key Terms in the New US Individual ALMAs	Summary of Key Terms in the Existing US Individuals ALMAs	Key Updates
<p>In respect of lease management services provided by an asset manager for a US Property, the owner shall pay to the asset manager a fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue⁽¹⁾ of such US Properties for which lease management services are provided.</p>	<p>In respect of lease management services provided by an asset manager for a US Property, the owner shall pay to the asset manager a fee of one per cent (1.0%) per annum of the adjusted gross revenue⁽¹⁾ of such US Properties for which lease management services are provided.</p>	<p>Save for the expanded scope of Adjusted Gross Revenue under the New US Individual ALMAs, there is no material difference in the fees payable under the New US Individual ALMAs and the Existing US Individual ALMAs.</p>

Note:

- (1) Refer to notes (1) and (2) of paragraph 7.2 at page A-19 of this Appendix A for a detailed breakdown of the differences between the Adjusted Gross Revenue and adjusted gross revenue.

8.3 Project Management Fees

	Summary of Key Terms in the New US Individual ALMAs		Summary of Key Terms in the Existing US Individuals ALMAs		Key Updates
	Amount of Construction Cost ⁽¹⁾	Fee	Amount of Construction Cost ⁽²⁾	Fee	
(a)	US\$1.4 million or less	Three per cent (3.0%) of the construction costs	US\$1.4 million or less	Three per cent (3.0%) of the construction costs	There is no material difference in the fees payable under the New US Individual ALMA and the Existing US Individual ALMA.
(b)	Exceed US\$1.4 million but do not exceed US\$8.4 million	Two point one five per cent (2.15%) of the construction costs	Exceed US\$1.4 million but do not exceed US\$8.4 million	Two point one five per cent (2.15%) of the construction costs	
(c)	Exceed US\$8.4 million but do not exceed US\$28.0 million	One point four five per cent (1.45%) of the construction costs	Exceed US\$8.4 million but do not exceed US\$28.0 million	One point four five per cent (1.45%) of the construction costs	
(d)	Exceed US\$28.0 million but do not exceed US\$49.0 million	One point four per cent (1.4%) of the construction costs	Exceed US\$28.0 million but do not exceed US\$49.0 million	One point four per cent (1.4%) of the construction costs	
(e)	Exceed US\$49.0 million but do not exceed US\$70.0 million	One point three five per cent (1.35%) of the construction costs	Exceed US\$49.0 million but do not exceed US\$70.0 million	One point three five per cent (1.35%) of the construction costs	
(f)	Exceed US\$70.0 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs	Exceed US\$70.0 million	To be mutually agreed by the parties but in any event, no higher than 1.35% of the construction costs.	

Note:

- (1) For the purpose of calculating the project management fees payable to the asset manager, “**construction costs**” means all construction costs and expenditure valued by the quantity surveyor engaged by the owner for the project, but excluding development charges, differential premiums, statutory payments, consultants’ professional fees and sales taxes.

9. Summary of Key Terms and Key Updates in the New Europe Master ALMA

9.1 Asset Management Fees

Summary of Key Terms in the New Europe Master ALMA	Summary of Key Terms in the Existing Europe Master ALMA	Key Updates
<p>In respect of the asset management services⁽¹⁾ provided by the Europe Asset Manager or, as the case may be, the relevant individual asset manager for a Europe Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to the Europe Asset Manager or, as the case may be, the relevant individual asset manager a fee not exceeding the rate of 0.3% per annum of the total value of the Europe Adjusted Deposited Property⁽²⁾ for which the asset management services are provided.</p>	<p>In respect of the asset management services⁽¹⁾ provided by CLI Europe or, as the case may be, the relevant individual asset manager for a Europe Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to CLI Europe or, as the case may be, the relevant individual asset manager a fee not exceeding the rate of 0.4% per annum of the total value of the adjusted deposited property⁽³⁾ for which the asset management services are provided.</p>	<p>Under the New Europe Master ALMA, the fee payable has been adjusted to not exceed 0.3% per annum of the total value of the Europe Adjusted Deposited Property.</p> <p>The definition of the Europe Adjusted Deposited Property has also been updated to exclude right-of-use assets.</p> <p>Apart from the above, there is no material difference in the fees payable under the New Europe Master ALMA and the Existing Europe Master ALMA.</p>

Notes:

- (1) Asset management services to be provided by the Europe Asset Manager pertain to marketing support, property positioning, premises hand-over/taking-over, tenants' fitting out, customer relationship management, procurement and contract management, maintenance management, insurance and administrative management, building regulations and safety, accounting and finance.
- (2) The Europe Adjusted Deposited property means all Europe Properties excluding derivative assets, properties under development and right-of-use assets.
- (3) The adjusted deposited property means all Europe Properties excluding derivative assets and properties under development.

9.2 Lease Management Fees

Summary of Key Terms in the New Europe Master ALMA	Summary of Key Terms in the Existing Europe Master ALMA	Key Updates
<p>In respect of the lease management services provided by the Europe Asset Manager or, as the case may be, the relevant individual asset manager for a Europe Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to the Europe Asset Manager or, as the case may be, the relevant individual asset manager a fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue⁽¹⁾ of such Europe Properties for which lease management services are provided.</p>	<p>In respect of the lease management services provided by the Europe Asset Manager or, as the case may be, the relevant individual asset manager for a Europe Property, the Trustee or, as the case may be, the Special Purpose Vehicle shall pay to the Europe Asset Manager or, as the case may be, the relevant individual asset manager a fee of one per cent (1.0%) per annum of the adjusted gross revenue⁽²⁾ of such Europe Properties for which lease management services are provided.</p>	<p>Save for the expanded scope of Adjusted Gross Revenue under the New Europe Master ALMA, there is no material difference in the fees payable under the New Europe Master ALMA and the Existing Europe Master ALMA.</p>

Notes:

- (1) Under the New Europe Master ALMA, “Adjusted Gross Revenue” means in respect of a Europe Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) and car park income from the Europe Property, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a Europe Property and the additional property tax recovered from tenants, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the Europe Property including, but not limited to, utilities income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all value-added tax collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.
- (2) Under the Existing Europe Master ALMA, the “adjusted gross revenue” means in respect of a Europe Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenants incentives amortised or otherwise) from the Europe Property, all penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a Europe Property, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the Europe Property including, but not limited to, utilities income, car park income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all goods and services tax or tax collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.

9.3 Project Management Fees

	Summary of Key Terms in the New Europe Master ALMA		Summary of Key Terms in the Existing Europe Master ALMA		Key Updates
	Amount of Construction Cost ⁽¹⁾	Fee	Amount of Construction Cost ⁽¹⁾	Fee	
(a)	£2 million or less	Three per cent (3.0%) of the construction costs	£2 million or less	Three per cent (3.0%) of the construction costs	<p>Under the New Europe Master ALMA, there is now a maximum limit on the fees payable at 1.35% of the construction costs for projects exceeding £100 million. This is consistent with the current practice of the Manager under the Existing Europe Master ALMA where the negotiated rates were capped at 1.35% of the construction costs.</p> <p>Apart from the above, there is no material difference in the fees payable under the New Europe Master ALMA and the Existing Europe Master ALMA.</p>
(b)	Exceed £2 million but do not exceed £12 million	Two point one five per cent (2.15%) of the construction costs	Exceed £2 million but do not exceed £12 million	Two point one five per cent (2.15%) of the construction costs	
(c)	Exceed £12 million but do not exceed £40 million	One point four five per cent (1.45%) of the construction costs	Exceed £12 million but do not exceed £40 million	One point four five per cent (1.45%) of the construction costs	
(d)	Exceed £40 million but do not exceed £70 million	One point four per cent (1.4%) of the construction costs	Exceed £40 million but do not exceed £70 million	One point four per cent (1.4%) of the construction costs	
(e)	Exceed £70 million but do not exceed £100 million	One point three five per cent (1.35%) of the construction costs	Exceed £70 million but do not exceed £100 million	One point three five per cent (1.35%) of the construction costs	
(f)	Exceed £100 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs	Exceed £100 million	To be mutually agreed by the parties	

Note:

- (1) For the purpose of calculating the project management fees payable to the Europe Asset Manager or, as the case may be, the relevant individual asset manager, “**construction costs**” means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project, but excluding development charges, differential premiums, statutory payments, consultants’ professional fees and value-added taxes.

10. Summary of Key Terms and Key Updates in the New Europe Individual ALMAs

10.1 Asset Management Fees

Summary of Key Terms in the New Europe Individual ALMAs	Summary of Key Terms in the Existing Europe Individual ALMAs	Key Updates
<p>In respect of the asset management services⁽¹⁾ provided by the individual asset manager for a Europe Property, the owner shall pay to the asset manager a fee not exceeding the rate of 0.3% per annum of the total value of the Europe Adjusted Deposited Property⁽²⁾ for which the asset management services are provided.</p>	<p>In respect of the asset management services⁽¹⁾ provided by the individual asset manager for a Europe Property, the owner shall pay to the asset manager a fee not exceeding the rate of 0.4% per annum of the total value of the adjusted deposited property⁽³⁾ for which the asset management services are provided.</p>	<p>Under the New Europe Individual ALMAs, the fee payable has been adjusted to not exceed 0.3% per annum of the total value of the Europe Adjusted Deposited Property.</p> <p>The definition of the Europe Adjusted Deposited Property has also been updated to exclude right-of-use assets.</p> <p>Apart from the above, there is no material difference in the fees payable under the New Europe Individual ALMAs and the Existing Europe Individual ALMAs.</p>

Notes:

- (1) Asset management services to be provided by the Europe Asset Manager pertain to marketing support, property positioning, premises hand-over/taking-over, tenants' fitting out, customer relationship management, procurement and contract management, maintenance management, insurance and administrative management, building regulations and safety, accounting and finance.
- (2) The Europe Adjusted Deposited property means all Europe Properties excluding derivative assets, properties under development and right-of-use assets.
- (3) The adjusted deposited property means all Europe Properties excluding derivative assets and properties under development.

10.2 Lease Management Fees

Summary of Key Terms in the New Europe Individual ALMAs	Summary of Key Terms in the Existing Europe Individual ALMAs	Key Updates
<p>In respect of the lease management services provided by an asset manager for a Europe Property, the owner shall pay to the asset manager a fee of one per cent (1.0%) per annum of the Adjusted Gross Revenue of such Europe Properties for which lease management services are provided.</p>	<p>In respect of the lease management services provided by an asset manager for a Europe Property, the owner shall pay to the asset manager a fee of one per cent (1.0%) per annum of the adjusted gross revenue of such Europe Properties for which lease management services are provided.</p>	<p>Save for the expanded scope of Adjusted Gross Revenue under the New Europe Individual ALMAs, there is no material difference in the fees payable under the New Europe Individual ALMAs and the Existing Europe Individual ALMAs.</p>

Note:

- (1) Refer to notes (1) and (2) of paragraph 9.2 at page A-24 of this Appendix A for a detailed breakdown of the differences between the Adjusted Gross Revenue and adjusted gross revenue.

10.3 Project Management Fees

	Summary of Key Terms in the New Europe Individual ALMAs		Summary of Key Terms in the Existing Europe Individual ALMAs		Key Updates
	Amount of Construction Cost ⁽¹⁾	Fee	Amount of Construction Cost	Fee	
(a)	£2 million or less	Three per cent (3.0%) of the construction costs	£2 million or less	Three per cent (3.0%) of the construction costs	<p>Under the New Europe Individual ALMAs, there is now a maximum limit on the fees payable at 1.35% of the construction costs for projects exceeding £100 million. This is consistent with the current practice of the Manager.</p> <p>Apart from the above, there is no material difference in the fees payable under the New Europe Individual ALMAs and the Existing Europe Individual ALMAs.</p>
(b)	Exceed £2 million but do not exceed £12 million	Two point one five per cent (2.15%) of the construction costs	Exceed £2 million but do not exceed £12 million	Two point one five per cent (2.15%) of the construction costs	
(c)	Exceed £12 million but do not exceed £40 million	One point four five per cent (1.45%) of the construction costs	Exceed £12 million but do not exceed £40 million	One point four five per cent (1.45%) of the construction costs	
(d)	Exceed £40 million but do not exceed £70 million	One point four per cent (1.4%) of the construction costs	Exceed £40 million but do not exceed £70 million	One point four per cent (1.4%) of the construction costs	
(e)	Exceed £70 million but do not exceed £100 million	One point three five per cent (1.35%) of the construction costs	Exceed £70 million but do not exceed £100 million	One point three five per cent (1.35%) of the construction costs	
(f)	Exceed £100 million	To be mutually agreed by the parties, but not exceeding one point three five per cent (1.35%) of the construction costs	Exceed £100 million	To be mutually agreed by the parties	

Note:

- (1) For the purpose of calculating the project management fees payable to the Europe Asset Manager or, as the case may be, the relevant individual asset manager, “construction costs” means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project, but excluding development charges, differential premiums, statutory payments, consultants’ professional fees and value-added taxes.

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APPENDIX B
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD
(Incorporated in the Republic of Singapore)
Company Registration Number: 200200144N

14 June 2022

The Independent Directors and Audit and Risk Committee of
Ascendas Funds Management (S) Limited
(in its capacity as the manager of Ascendas Real Estate Investment Trust)
168 Robinson Road
#30-01 Capital Tower
Singapore 068912

HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as trustee of Ascendas Real Estate Investment Trust)
10 Marina Boulevard
Marina Bay Financial Centre Tower 2
#45-01
Singapore 018983

Dear Sirs

INDEPENDENT FINANCIAL ADVISER'S LETTER IN RELATION TO THE PROPOSED ENTRY INTO THE NEW MANAGEMENT AGREEMENTS AS INTERESTED PERSON TRANSACTIONS:

- (1) THE NEW SINGAPORE PROPERTY MANAGEMENT AGREEMENT;**
- (2) THE NEW SINGAPORE PROJECT MANAGEMENT AGREEMENT;**
- (3) THE NEW SINGAPORE LEASE MANAGEMENT AGREEMENT;**
- (4) THE NEW AUSTRALIA STRATEGIC MANAGEMENT AGREEMENT;**
- (5) THE NEW AUSTRALIA MASTER ASSET MANAGEMENT AGREEMENT;**
- (6) THE NEW US MASTER ASSET AND LEASE MANAGEMENT AGREEMENT; AND**
- (7) THE NEW EUROPE MASTER ASSET AND LEASE MANAGEMENT AGREEMENT;**

(COLLECTIVELY, THE "NEW MANAGEMENT AGREEMENTS").

All capitalised terms used herein shall have the same meaning as that which is ascribed in the Circular, unless otherwise stated.

1. INTRODUCTION

Ascendas Funds Management (S) Limited ("**AFM**"), the manager of Ascendas Real Estate Investment Trust ("**Ascendas Reit**" and the manager of Ascendas Reit, the "**Manager**") is convening an extraordinary general meeting of unitholders of Ascendas Reit ("**Unitholders**") and the extraordinary general meeting of Unitholders, the "**EGM**") to seek Unitholders' approval by way of an Ordinary Resolution for the proposed entry into the New Management Agreements ("**Resolution 1**"), as an interested person transaction. The proposed entry into the New Management Agreements is an interested person transaction as Ascendas Reit and its subsidiaries will be entering into various management agreements with associates of interested persons, including AFM, Ascendas Services Pte Ltd ("**ASPL**"), CapitaLand Development Pte. Ltd. ("**CLD**"), Ascendas Funds Management (Australia) Pty Ltd ("**AFMA**"), CapitaLand International (USA) Pte. Ltd. ("**CLI USA**"), CapitaLand International (Europe) Pte. Ltd. ("**CLI Europe**") and their associates (collectively the "**Renewed Property Managers**") for them to provide their services to Ascendas Reit with effect from 1 October 2022 following the expiry of the Existing Management Agreements.

Please refer to paragraph 1 of the Letter to Unitholders of this Circular for more details.

1.1. Interested Person Transaction

Under Chapter 9 of the Listing Manual, where Ascendas Real Estate Investment Trust (“**Ascendas Reit**”) proposes to enter into a transaction with an “*interested person*” and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same “*interested person*” during the same financial year) is equal to or exceeds 5.0% of Ascendas Reit’s latest audited net tangible assets (“**NTA**”), Unitholders’ approval is required in respect of the transaction.

Based on Ascendas Reit’s audited financial statements for the financial year ended 31 December 2021 (“**Ascendas Reit Audited Financial Statements**”), the NTA of Ascendas Reit was S\$10,277.2 million as at 31 December 2021. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by Ascendas Reit with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S\$513.9 million, being 5% of the latest audited NTA of Ascendas Reit, such a transaction would be subject to Unitholders’ approval.

As at the Latest Practicable Date, CapitaLand Group Pte. Ltd. (formerly known as CapitaLand Limited) (“**CL**”) holds, through CapitaLand Investment Ltd (“**CLI**”), CLI International Pte. Ltd. (“**CLII**”), CLI RE Fund Investments Pte. Ltd. (“**CLIRE**”) and AFM, an aggregate interest in 756,972,911 Units, which is equivalent to approximately 18.03% of the total number of Units in issue.

CL is therefore regarded as a “controlling unitholder” of Ascendas Reit under the listing manual of the SGX-ST (the “**Listing Manual**”). In addition, as the Manager is an indirect wholly-owned subsidiary of CL, CL is therefore regarded as a “controlling shareholder” of the Manager under the Listing Manual.

The Renewed Property and Asset Managers under the proposed entry into the New Management Agreements are subsidiaries of CL (as further described below) and each is considered an “associate” of CL, which is regarded as a “controlling unitholder” of Ascendas Reit and a “controlling shareholder” of the Manager for the purposes of Chapter 9 of the Listing Manual. Accordingly, the Renewed Property and Asset Managers are (for the purposes of the Listing Manual) an “interested person” of Ascendas Reit.

The aggregate fees under the New Management Agreements payable by Ascendas Reit (or its subsidiaries) to the Renewed Property and Asset Managers, an associate of CL, for the entire duration of the New Management Agreements, amount to an estimated aggregate sum of S\$746.7 million, representing 7.3% of the latest audited NTA of the Ascendas Reit group (the “**Group**”) of S\$10,277.2 million as at 31 December 2021.

The estimated aggregated fees of S\$746.7 million payable under the New Management Agreements over their entire duration is calculated using the actual value of relevant interested person transactions based on the Ascendas Reit Audited Financial Statements taking into account the changes in the fee structure of the New Management Agreements which include the expanded scope of the Adjusted Gross Revenue. The estimation is calculated based on the Existing Portfolio.

Therefore, the proposed entry into the New Management Agreements (including the New Australia Individual AMAs, the New US Individual ALMAs and the New Europe Individual ALMAs from time to time) will constitute an “interested person transaction” under Chapter 9 of the Listing Manual in respect of which the approval of Unitholders is required.

The approval of Unitholders is therefore sought for the entry into the New Management Agreements including the New Australia Individual AMAs, the New US Individual ALMAs and the New Europe Individual ALMAs from time to time pursuant to the New Australia Master AMA, the New US Master ALMA and the New Europe Master ALMA. Should such approval be obtained, the fees payable pursuant to the New Management Agreements shall not be subject to aggregation or further Unitholders’ approval requirements under Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the fees payable and related expenses thereunder which are adverse to Ascendas Reit.

2. TERMS OF REFERENCE

We, Deloitte & Touche Corporate Finance Pte Ltd (“**DTCF**”), have been appointed as the independent financial adviser (“**IFA**”) under Listing Rule 921 as well as to advise the Independent Directors, the Audit and Risk Committee and the Trustee as to whether the terms of the New Management Agreements are on normal commercial terms and are not prejudicial to the interests of Ascendas Reit and its minority Unitholders.

Our opinion in relation to the New Management Agreements, as set out under paragraph 4 of this letter (the “**Letter**”) should be considered in the context of the entirety of our advice. This Letter is prepared for the purposes of Listing Rule 921(4) and addressed to the Independent Directors and the Audit and Risk Committee in connection with the proposed entry into the New Management Agreements and for the Independent Directors and the Audit and Risk Committee to advise and make their recommendations to the minority Unitholders in respect thereof. The recommendation made by the Independent Directors or the Audit and Risk Committee to Unitholders shall remain their responsibility. This Letter is also given for the benefit of HSBC Institutional Trust Services (Singapore) Limited as the trustee of Ascendas Reit.

We were neither a party to the negotiations entered into in relation to the New Management Agreements, nor were we involved in the deliberations leading up to the decision on the part of the Manager to enter into the New Management Agreements.

We do not, by this Letter or otherwise, advise or form any judgement on the strategic or commercial merits or risks of the New Management Agreements. All such evaluations, advice, judgements or comments remain the sole responsibility of the directors of the Manager (the “**Directors**”), the Manager and their advisors.

We have however drawn upon such evaluations, judgements and comments as we deem necessary and appropriate in arriving at our opinion.

The scope of our appointment does not require us to express, and nor do we express, a view on the future growth prospects, earnings potential or value of Ascendas Reit. We do not express any view as to the price at which the units may trade or the future value, financial performance or condition of Ascendas Reit after entering into the New Management Agreements.

It is also not within our terms of reference to compare the merits of the New Management Agreements to any alternative transactions that were or may have been available to Ascendas Reit. Such comparison and consideration remain the responsibility of the Directors, the Manager and their advisors.

In the course of our evaluation, we have relied upon our discussions with the management of the Manager and publicly available information collated by us as well as information, both written and verbal, provided to us by the management. We have relied upon and assumed the accuracy of the relevant information, both written and verbal, provided to us by the aforesaid parties and have not independently verified such information, whether written or verbal, and accordingly cannot and do not warrant, and do not accept any responsibility for the accuracy, completeness and adequacy of such information. We have not independently verified and have assumed that all statements of fact, belief, opinion and intention made by the Directors have been reasonably made after due and careful enquiry. Accordingly, no representation or warranty (whether express or implied) is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information. We have nonetheless made reasonable enquiries and exercised our judgement on the reasonable use of such information and have found no reason to doubt the accuracy or reliability of such information.

We have not made any independent evaluation or appraisal of the assets and liabilities (including, without limitation, the real properties) of Ascendas Reit or the New Management Agreements.

Our views are based on market, economic, industry, monetary and other conditions (where applicable) prevailing on and our analysis of the information made available to us as at the date of this letter. We assume no responsibility to update, revise or re-affirm our opinion, factors or assumptions in light of any subsequent development after the date of this Letter that may affect our opinion or factors or assumptions contained herein. Unitholders should take note of any announcements relevant to their considerations of the New Management Agreements which may be released by the Manager after the date of this Letter.

We have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any unitholder. Unitholders may require specific advice in relation to his or her specific investment objectives or portfolio and should consult his or her stockbroker, bank manager, solicitor, accountant, tax advisor or other professional advisors.

This Letter or any part thereof may be used for matters relating to the New Management Agreements, without our prior written consent in each instance.

3. EVALUATION OF THE NEW MANAGEMENT AGREEMENTS

In reaching our opinion in respect of the New Management Agreements, we have given due consideration to the following factors:

- (i) Rationale for the proposed entry into the New Management Agreements;
- (ii) Comparison of the New Management Agreements with the Existing Agreements; and
- (iii) Comparison of the fee structure and other key terms under the New Management Agreements to those of comparable REITs listed on the SGX. Comparable REITs were selected based on having a similar property type and geography as those owned by Ascendas Reit and which are the subject of each of the New Management Agreements.

For the purpose of comparing the fee structure under the various agreements, we have compiled information that is publicly available in respect of the fee structure of the comparable REITs listed on the SGX-ST ("**S-REITs**"). We have sourced such relevant information from initial public offering prospectuses, circulars, annual reports and other public documents (the "**Source Documents**"). Please note that we have had access only to public disclosures and that this work should not be taken to imply that no similar fees are payable by the comparable S-REITs unless disclosed in these Source Documents.

3.1 Rationale for the proposed entry into the New Management Agreements

The rationale for the proposed entry into the New Management Agreements have been summarised from the Circular and set out in italics below. All terms and expressions used in this extract below shall have the same meaning as those stated in the Circular, unless otherwise stated.

- a. *the proven track record and experience of the Renewed Property and Asset Managers demonstrated through the following:*
 - i. *an operations team with extensive experience and expertise, with strong familiarity of Ascendas Reit's business model; and*
 - ii. *a healthy occupancy rate with a positive lease renewal rate enjoyed by the Existing Portfolio;*
- b. *being part of the CapitaLand Group, the Renewed Property and Asset Managers' commitment towards sustainability and sustainable practices is in line with the Manager's strategy and goal for Ascendas Reit; and*
- c. *refining the fee structure and scope of services in respect of Ascendas Reit's properties which include:*
 - i. *streamlining the car park management services to form part of the overall property management services and for car park income to be included as part of the Adjusted Gross Revenue (as defined herein) arising from Ascendas Reit's properties, instead of being charged separately to Ascendas Reit on a standalone basis;*
 - ii. *expanding the scope of the Adjusted Gross Revenue (based on which property management fee and lease management fee will be computed) to include additional property tax clawbacks recovered from tenants. This is to further align the interest between the Renewed Property and Asset Managers and Ascendas Reit as this will incentivise the Renewed Property and Asset Managers to proactively recover on behalf of Ascendas Reit property tax from Ascendas Reit's tenants.*

Please refer to paragraph 3 of the Letter to Unitholders of this Circular for further details on the Manager's rationale for the proposed entry into the New Management Agreements.

3.2 Comparison of the New Management Agreements with the Existing Agreements

A summary of key terms and key updates in the New Management Agreements, which include comparisons between the New Management Agreements and the Existing Agreements are set out in Appendix A of the Circular. Unitholders are advised to read this section of the Circular carefully.

3.3 Comparison of the fee structure and other key terms under the New Singapore Property Management Agreement to those of comparable S-REITs

For the purpose of comparing the property management fee structure under the New Singapore Property Management Agreement, we have compiled information that is publicly available in respect of the property management fee structure of the comparable S-REITs.

However, we note that the terms of the management agreements of different properties may differ, based on factors such as the exact type of property managed, the location of the property, the scope of the management agreement, commercial factors at the time the agreement was entered, and other relevant criteria. Accordingly, the Independent Directors, the Audit and Risk Committee and the Trustee should note that any comparison made serves as an illustrative guide only.

3.3.1 Property management fees

Comparable S-REITs	Property management fees
AIMS APAC REIT	2.00% per annum of rental income
ESR-Logos REIT	2.00% per annum of gross revenue
Mapletree Industrial Trust	2.00% per annum of gross revenue
Mapletree Logistics Trust	2.00% per annum of gross revenue
Sabana Industrial REIT	2.00% per annum of gross revenue
Ascendas Reit (under the New Singapore Property Management Agreement)	2.00% per annum of the Adjusted Gross Revenue⁽¹⁾

Source: Respective companies' annual reports

Note:

- (1) Under the New Singapore Property Management Agreement, "Adjusted Gross Revenue" in respect of a Singapore Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) and car park income from the Singapore Property, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a Singapore Property and the additional property tax recovered from tenants, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the Singapore Property including, but not limited to, utilities income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all GST collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.

Based on the above analysis, we noted that:

- (i) The definition of gross revenue for the comparable S-REITs includes other income, such as government grants, car park income and other income attributable to the operations of the properties. Under the New Singapore Property Management Agreement, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) relate to rental income that would otherwise be received and therefore is part of income attributable to the operations of the properties. On this basis, the property management fee under the Singapore Property Management Agreement is in line with those of comparable S-REITs;

- (ii) Expanding the scope of the Adjusted Gross Revenue for properties in Singapore (based on which property management fee will be computed) to include, among others, additional property tax clawbacks recovered from tenants will further align the interest between the Renewed Property and Asset Managers and Ascendas Reit as this will incentivise the Renewed Property and Asset Managers to proactively recover on behalf of Ascendas Reit property tax from Ascendas Reit's tenants. Comparable S-REITs include other operating income in the definition of gross revenue. While there is no specific reference to property tax claw backs, such claw backs are typically added back as revenue for accounting purposes as it relates to income attributable to the operations of the properties.

3.3.2 Marketing and leasing commission

For securing new tenancies:

Comparable S-REITs	Length of tenancy			
	No third-party agent involved		Third-party agent involved	
	≤ 3 years	>3 years	≤ 3 years	>3 years
	Commission payable on gross rent			
AIMS APAC REIT	1 month	2 months	1.2 months	2.4 months
ESR-LOGOS REIT ⁽¹⁾	1 month	2 months	n.a.	n.a.
Mapletree Industrial Trust	1 month	2 months	1.2 months	2.4 months
Mapletree Logistics Trust	1 month	2 months	1.2 months	2.4 months
Ascendas Reit (under the New Singapore Property Management Agreement)⁽²⁾	0 – 1 month	1 – 3 months	Same as with no-third party agent but with an additional administrative charge of 20%	

Source: Respective companies' annual reports

Notes:

(1) N.a. refers to no publicly disclosed information pertaining to the respective comparable S-REIT

(2) The structure of Ascendas Reit is slightly different with six tiers.

- a. Less than six months
- b. Six months or more but less than three years
- c. Three years
- d. More than three years but less than five years
- e. Five years
- f. More than five years with the terms of the lease subject to the prior approval of the Manager

Based on the above analysis, we noted that:

- (i) In the case where a third party agent is involved, the commission payable by the comparable S-REITs is 20% higher than when there is no third party agent involved. While the comparable S-REITs do not reference this increment as an “administrative charge”, the incremental commission to be paid by the comparable S-REIT is similar to the commission payable by Ascendas Reit under the New Singapore Property Management Agreement. On this basis, the commission for marketing and leasing services under the New Singapore Property Management Agreement is generally in line with those of comparable S-REITs.

3.3.3 Project management fees

Comparable S-REITs	Amount of construction costs			
	≤ S\$2.0 million	> S\$2.0 million and ≤ S\$20.0 million	>S\$20.0 million and ≤ S\$50.0 million	>S\$50.0 million
	Project management fees as a % of construction costs			
AIMS APAC REIT	3.00%	2.00%	1.50%	To be mutually agreed by the parties
ESR-LOGOS REIT	3.00%	2.00%	1.50%	To be mutually agreed by the parties
Mapletree Industrial Trust	3.00%	2.00%	1.50%	To be mutually agreed by the parties

Ascendas Reit (under the New Singapore Property Management Agreement)	Amount of construction costs	Fee (% of construction costs)
	S\$2.0 million or less	3.0%
Exceed S\$2.0 million but do not exceed S\$12.0 million	2.15%	
Exceed S\$12.0 million but do not exceed S\$40.0 million	1.45%	
Exceed S\$40.0 million but do not exceed S\$70.0 million	1.40%	
Exceed S\$70.0 million but do not exceed S\$100.0 million	1.35%	
Exceed S\$100.0 million	To be mutually agreed by the parties, but not exceeding 1.35%	

Source: Respective companies' annual reports

Based on the above analysis, we noted that:

- (i) The project management fee under the New Singapore Property Management Agreement is generally in line with those of comparable S-REITs.

3.3.4 Reimbursable employment costs for site-staff

Comparable S-REITs	Terms of the relevant agreements
AIMS APAC REIT	The property manager will be fully reimbursed by the trustee, following the recommendation of the manager, for the employment costs and remuneration relating to the employees of the property manager engaged solely and exclusively for the management of its property, as approved in each annual budget of the relevant property.
Mapletree Industrial Trust	In addition to its fees, the property manager will be fully reimbursed for each property under its management for the agreed employee expenditure incurred for each month.
Mapletree Logistics Trust	<p>In addition to its fees, the property manager will be fully reimbursed for each property under its management:</p> <ul style="list-style-type: none"> • the employment and remuneration costs of the team of personnel employed by the property manager for the provision of services to that property; and • the employment and remuneration costs relating to the centralised team of employees of the property manager who provide group services for all properties under its management, which costs are apportioned by the property manager to that property, <p>as approved in each annual budget by the trustee following the recommendation of the manager.</p>
Ascendas Reit (under the New Singapore Property Management Agreement)	The Trustee shall (i) reimburse the base salary of the employees of the Singapore Property Manager (approved by the Manager) engaged solely for site supervision of the Singapore Properties (such costs are part of the annual business plan and budget approved by the Trustee on the recommendation of the Manager or otherwise agreed between the Trustee and the Manager) and (ii) pay a fee of 10.0% of such base salary.

Source: Respective companies' initial public offering prospectuses

Based on the above analysis, we noted that:

- (i) The New Singapore Property Management Agreement makes specific reference to cover base salary only, whereas the comparable S-REITs makes a generic reference to employment and remuneration cost, which has a wider coverage. Based on discussions with management, we understand that the payment of a fee of 10.0% of base salary under the New Singapore Property Management Agreement is intended to cover other indirect employment related costs such as transportation claims, mobile phone allowance, medical benefits, skills development, training and recruitment cost. 10.0% is derived based on the historical average of these aggregate indirect employment related expenses as a percentage of base salary. On this basis, the arrangement for reimbursable employment costs for site-staff under the New Singapore Property Management Agreement is generally in line with those of comparable S-REITs.

3.3.5 Third party facility management fees

Terms of the relevant agreements	
Ascendas Reit (under the New Singapore Property Management Agreement)	In the situation where a tenant insists on contracting with Ascendas Reit (through the Trustee and/or the Manager) for facility management services even though such services will be performed by the Singapore Property Manager, the Trustee shall pay the Singapore Property Manager any fees which it receives from a tenant of Ascendas Reit which is payable by such tenant as a result of the Trustee or the Manager (on behalf of Ascendas Reit) engaging the Singapore Property Manager on a back-to-back basis to serve as a facility manager for such tenant.

Based on the above analysis, we noted that:

- (i) Ascendas Reit is not paying anything additional, and neither the Manager nor the Singapore Property Manager will be charging any administrative fee for facilitating such an arrangement. Ascendas Reit is merely facilitating the pass-through payment of third-party facility management fees paid by the tenant to the Singapore Property Manager for facility management services that the tenant has engaged the Singapore Property Manager to perform separately for their premises; and
- (ii) There is no public disclosure of a similar fee arrangement by comparable S-REITs.

3.3.6 Reimbursable advertising costs, customer care costs and project management expenses

Comparable S-REITs	Terms of the relevant agreements
AIMS APAC REIT	The property manager is authorised to utilise funds deposited in operating accounts maintained in the name of the trustee, and to make payment of all costs and expenses incurred in the operation, maintenance, management and marketing of such property, within the budget approved in the annual budget for such property.
Mapletree Industrial Trust	The property manager is authorised to utilise funds deposited in operating accounts maintained in the name of the trustee and to make payment for all costs and expenses incurred in the operation, maintenance, management and marketing of each property within each annual budget approved by the trustee on the recommendation of the manager.
Mapletree Logistics Trust	The property manager is authorised to utilise funds deposited in operating accounts maintained in the name of the trustee and to make payment of all costs and expenses incurred in the operation, maintenance, management and marketing of each property within each annual budget approved by the trustee on the recommendation of the manager.

<p>Ascendas Reit (under the New Singapore Property Management Agreement)</p>	<p><u>Reimbursable advertising costs</u></p> <p>The Trustee shall reimburse the Singapore Property Manager for the cost of advertising incurred by the Singapore Property Manager in relation to the promotion of leasing for the Singapore Property provided that prior approval of the Manager for such cost incurred has been obtained.</p> <p><u>Reimbursable customer care costs</u></p> <p>The Trustee shall reimburse the Singapore Property Manager for the cost of customer care incurred by the Singapore Property Manager in relation to tenants of the Singapore Property provided that prior approval of the Manager for such cost incurred has been obtained.</p> <p><u>Project management expenses</u></p> <p>The Trustee, on the recommendation of the Manager, shall reimburse the Singapore Property Manager for:</p> <p>(a) costs for printing drawings, documents and other lithography expenses incurred for calling of tenders;</p> <p>(b) costs for preparing and printing perspectives, plans, models and any materials required for marketing purposes and costs of all submissions to authorities;</p> <p>(c) overseas travelling and accommodation expenses and other similar disbursements in respect of the Property Manager acting on the instructions of the Trustee for any purpose in connection with and/or arising out of the project; and</p> <p>(d) costs of tele-conferencing, video conferencing and/or project management portal in connection with and/or arising out of the project,</p>
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	<p>provided that such costs shall have been pre-approved by the Trustee, on the recommendation of the Manager and shall be supported, where available, by vouchers, receipts and other documentary evidence, and provided further, that such costs shall be in accordance with the budget (if any) which may have been approved by the Trustee for the project in connection with or arising from which the costs were incurred.</p> <p>The following personnel must be engaged by the Trustee at the costs and expense of Ascendas Reit:</p> <p>(a) contractors and surveyors for determining site boundaries, topography information and obtaining other necessary information for project planning and design;</p> <p>(b) consultants required for each project;</p> <p>(c) contractors required for the construction of the works;</p> <p>(d) site supervisory personnel; and</p> <p>(e) accredited checkers and registered inspectors.</p>
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Source: Respective companies' initial public prospectuses

Based on the above analysis, we noted that:

- (i) There is limited publicly available information on the specific treatment of reimbursement of advertising costs, customer care costs and project management expenses by comparable S-REITs and would most likely fall under the broad definition of marketing costs. Therefore, the arrangement for the reimbursement of advertising costs, customer care costs and project management expenses under the New Singapore Property Management Agreement is broadly in line with comparable S-REITs.

3.4 Comparison of the fee structure and other key terms under the New Singapore Project Management Agreement to those of comparable S-REITs

For the purpose of comparing the project management fee structure and other key terms under the New Singapore Project Management Agreement, we have compiled information that is publicly available in respect of the project management fee structure and other key terms of the comparable S-REITs.

However, we note that the terms of the management agreements of different properties may differ, based on factors such as the exact type of property managed, the location of the property, the scope of the management agreement, commercial factors at the time the

agreement was entered, and other relevant criteria. Accordingly, the Independent Directors, the Audit and Risk Committee and the Trustee should note that any comparison made serves as an illustrative guide only.

3.4.1 Project management fees

Comparable S-REITs	Amount of construction costs			
	≤ S\$2.0 million	> S\$2.0 million and ≤ S\$20.0 million	>S\$20.0 million and ≤ S\$50.0 million	>S\$50.0 million
AIMS APAC REIT	3.00%	2.00%	1.50%	To be mutually agreed by the parties
ESR-LOGOS REIT	3.00%	2.00%	1.50%	To be mutually agreed by the parties
Mapletree Industrial Trust	3.00%	2.00%	1.50%	To be mutually agreed by the parties

Ascendas Reit (under the New Singapore Project Management Agreement)	Amount of construction costs	Fee (% of construction costs)
	S\$2.0 million or less	3.0%
Exceed S\$2.0 million but do not exceed S\$12.0 million	2.15%	
Exceed S\$12.0 million but do not exceed S\$40.0 million	1.45%	
Exceed S\$40.0 million but do not exceed S\$70.0 million	1.4%	
Exceed S\$70.0 million but do not exceed S\$100.0 million	1.35%	
Exceed S\$100.0 million	To be mutually agreed by the parties, but not exceeding 1.35%	

Source: Respective companies' annual reports

Based on the above analysis, we noted that:

- (i) The project management fee under the New Singapore Project Management Agreement is generally in line with comparable S-REITs.

3.4.2 Project management expenses

Comparable S-REITs	Terms of the relevant agreements
AIMS APAC REIT	The property manager is authorised to utilise funds deposited in operating accounts maintained in the name of the trustee, and to make payment of all costs and expenses incurred in the operation, maintenance, management and marketing of such property, within the budget approved in the annual budget for such property.
Mapletree Industrial Trust	The property manager is authorised to utilise funds deposited in operating accounts maintained in the name of the trustee and to make payment for all costs and expenses incurred in the operation, maintenance, management and marketing of each property within each annual budget approved by the trustee on the recommendation of the manager.
Mapletree Logistics Trust	The property manager is authorised to utilise funds deposited in operating accounts maintained in the name of the trustee and to make payment of all costs and expenses incurred in the operation, maintenance, management and marketing of each property within each annual budget approved by the trustee on the recommendation of the manager.
<p>Ascendas Reit (under the New Singapore Project Management Agreement)</p>	<p>The Trustee, on the recommendation of the Manager, shall reimburse CLD for:</p> <p>(a) costs for printing drawings, documents and other lithography expenses incurred for calling of tenders;</p> <p>(b) costs for preparing and printing perspectives, plans, models and any materials required for marketing purposes and costs of all submissions to authorities;</p> <p>(c) overseas travelling and accommodation expenses and other similar disbursements in respect of the Property Manager acting on the instructions of the Trustee for any purpose in connection with and/or arising out of the project; and</p> <p>(d) costs of tele-conferencing, video conferencing and/or project management portal in connection with and/or arising out of the project,</p>

	<p>provided that such costs shall have been pre-approved by the Trustee, on the recommendation of the Manager and shall be supported, where available, by vouchers, receipts and other documentary evidence, and provided further, that such costs shall be in accordance with the budget (if any) which may have been approved by the Trustee for the project in connection with or arising from which the costs were incurred.</p> <p>The following personnel must be engaged by the Trustee at the costs and expense of Ascendas Reit:</p> <p>(a) contractors and surveyors for determining site boundaries, topography information and obtaining other necessary information for project planning and design;</p> <p>(b) consultants required for each project;</p> <p>(c) contractors required for the construction of the works;</p> <p>(d) site supervisory personnel; and</p> <p>(e) accredited checkers and registered inspectors.</p>
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Source: Respective companies' initial public offering prospectuses

Based on the above analysis, we noted that:

- (i) There is limited publicly available information on the treatment of specific components of project management expense by comparable S-REITs. Nonetheless, there is a general provision for the property manager to utilise funds to make payment for all costs and expenses incurred in the operation, maintenance, management and marketing of each property within each annual budget approved by the trustee. Therefore, the project management expense arrangement under the New Singapore Project Management Agreement is generally in line with comparable S-REITs.

3.5 Comparison of the fee structures under the New Singapore Lease Management Agreement to those of comparable S-REITs

We have compared the key terms of the Singapore Lease Management Agreement against those of comparable management agreements of other comparable properties held by S-REITs, as set out below.

However, we note that the terms of the management agreements of different properties may differ, based on factors such as the exact type of property managed, the location of the property, the scope of the management agreement, commercial factors at the time the agreement was entered, and other relevant criteria. Accordingly, the Independent Directors, the Audit and Risk Committee and the Trustee should note that any comparison made with respect to the comparable management agreements serves as an illustrative guide only.

3.5.1 Lease management fees

Comparable S-REITs	Lease management fees
AIMS APAC REIT	1.00% per annum of rental income
ESR-LOGOS REIT	1.00% per annum of gross revenue
Mapletree Industrial Trust	1.00% per annum of gross revenue
Mapletree Logistics Trust	1.00% per annum of gross revenue
Sabana Industrial REIT	1.00% per annum of gross revenue
Ascendas Reit (under the New Singapore Lease Management Agreement)	1.00% per annum of the Adjusted Gross Revenue⁽¹⁾

Source: Respective companies' annual reports

Note:

- (1) Under the New Singapore Lease Management Agreement, "Adjusted Gross Revenue" in respect of a Singapore Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) and car park income from the Singapore Property, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a Singapore Property and the additional property tax recovered from tenants, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the Singapore Property including, but not limited to, utilities income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all GST collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.

Based on the above analysis, we noted that:

- (i) As disclosed in Paragraph 3.3.1 of this Letter, the definition of gross revenue for the comparable S-REITs includes other income such as government grants, car park income and other income attributable to the operations of the properties. This is used generically as compared to Ascendas Reit's use of the term "Adjusted Gross Revenue" which provides greater transparency as to what "Adjusted Gross Revenue" constitutes. Certain revenue items have been excluded from the definition of "Adjusted Gross Revenue", such as utilities income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support as they are not as relevant to the provision of property management services. In any event, the "Adjusted Gross Revenue" is a subset of the audited revenue of Ascendas Reit in any given year and the "Adjusted Gross Revenue" will not be higher than the audited "gross revenue". On this basis, the lease management fee under the New Singapore Lease Management Agreement is in line with those of comparable S-REITs.

3.5.2 Lease renewal fee commission

- (a) In relation to a tenancy renewal (i) where an existing tenant of Ascendas Reit renews its tenancy for the same or less net lettable area irrespective of whether it is in respect of the same location; or (ii) where an existing tenant renews its tenancy for a larger net lettable area, the fee commission payable for the original net lettable area is:

Comparable S-REITs	Length of tenancy renewal	
	≤ 3 years	>3 years
	Commission payable on gross rent	
AIMS APAC REIT	0.5 month	1 month
ESR-LOGOS REIT	0.5 month	1 month
Mapletree Industrial Trust	0.5 month	1 month
Mapletree Logistics Trust	0.5 month	1 month
Ascendas Reit (under the New Singapore Lease Management Agreement)⁽¹⁾	0 – 0.5 month	0.5 – 1.5 months

Source: Respective companies’ annual reports

Note:

- (1) The structure of Ascendas Reit is slightly different with six tiers.
- a. Less than six months
 - b. More than six months but less than one year
 - c. One year or more but less than three years
 - d. More than three years but less than five years
 - e. Five years
 - f. More than five years

Based on the above analysis, we noted that:

- (i) Under the New Singapore Lease Management Agreement, the tenancy renewal fee commission for renewal of existing tenants for the same or less net lettable area is in line with that of comparable S-REITs.

- (b) In relation to (i) any new take-up of space by an existing tenant or where the space is taken up by a new tenant introduced by an existing tenant; or (ii) where an existing tenant renews its tenancy for a larger net lettable area, the fee commission payable for the additional net lettable area is:

Comparable S-REITs	Length of tenancy secured	
	≤ 3 years	>3 years
	Commission payable on gross rent	
AIMS APAC REIT	1 month	2 months
ESR-LOGOS REIT	1 month	2 months
Mapletree Industrial Trust	1 month	2 months
Mapletree Logistics Trust	1 month	2 months
Ascendas Reit (under the New Singapore Property Management Agreement)⁽¹⁾	0 – 1 month	1 – 3 months

Source: Respective companies' annual reports

Note:

- (1) The structure of Ascendas Reit is slightly different with six tiers.
- a. Less than six months
 - b. Six months or more but less than three years
 - c. Three years
 - d. More than three years but less than five years
 - e. Five years
 - f. More than five years

Based on the above analysis, we noted that:

- (i) As the scenario set out in Paragraph 3.5.2 (b) of this Letter is essentially a lease expansion, we have made a comparison to the fee structure of comparable S-REITs for securing new tenancies and found them to be generally in line with the tenancy renewal fee commission under the New Singapore Lease Management Agreement.

3.5.3 Fee for property tax objections and savings

Comparable S-REITs	% of property tax savings for the proposed annual value		
	≤ S\$1 million	>S\$1 million and ≤S\$5 million	>S\$5 million
AIMS APAC REIT	7.50%	5.50%	5.0%
ESR-LOGOS REIT	7.50%	5.50%	5.0%
Ascendas Reit (under the New Singapore Lease Management Agreement)	7.50%	5.50%	5.0%

Source: Respective companies' annual reports and initial public offering prospectuses

Based on the above analysis, we noted that:

- (i) The fee for property tax savings under the New Singapore Lease Management Agreement is in line with that of comparable S-REITs.

3.6 Comparison of the fee structure under the New Australia Strategic Management Agreement to those of comparable S-REITs

The strategic management services to be provided by AFMA under the New Australia Strategic Management Agreement include the following: (i) strategic management in relation to the Australia Properties such as proactive portfolio management, engagement with tenants and reviewing the tenants' business plans to facilitate their growth and expansion needs; (ii) supervising and providing instructions to the third-party licensed real estate agents who will be providing the property management services in respect of the Australia Properties; (iii) providing contract administration functions (including the management of billing functions) in relation to the various property management agreements entered into between the relevant Sub-Trusts and the relevant third-party licensed real estate agents, to the extent that the provision of such services do not require AFMA to hold the relevant Australian estate agents licence.

As disclosed in paragraph 2.2.1(ii) of the Circular, there will be no double-counting of fees and the aggregate fee payable to the Australia Strategic Manager under both the New Australia Strategic Management Agreement and the New Australia Master AMA will not exceed the total fee of 1.0% per annum of the Australia Adjusted Gross Revenue of the Australia Properties.

For the purpose of comparing the fee structure under the New Australia Strategic Management Agreement, we have compiled information that is publicly available in respect of the lease management fee structure of comparable S-REITs. As Ascendas Reit's portfolio in Australia comprises suburban offices and logistics properties, we have made a comparison to selected S-REITs with logistics properties in Australia. However, we note that the terms of the management agreements of different properties may differ, based on factors such as the exact type of property managed, the location of the property, the scope of the management agreement, commercial factors at the time the agreement was entered, and other relevant criteria. Accordingly, the Independent Directors, the Audit and Risk Committee and the Trustee should note that any comparison made with respect to the comparable management agreements serves as an illustrative guide only.

3.6.1 Strategic management fee

Comparable S-REITs	Lease management fees
AIMS APAC REIT	1.00% per annum of the rental income of each property
Mapletree Logistics Trust	Up to 1.00% per annum of gross revenue of each property
Ascendas Reit (under the New Australia Strategic Management Agreement)	1.00% per annum of the Adjusted Gross Revenue⁽¹⁾ of an Australia Property

Source: Respective companies' annual reports and initial public offering prospectuses

Note:

- (1) Under the New Australia Strategic Management Agreement, "Adjusted Gross Revenue" in respect of an Australia Property and in relation to any Fiscal Year or part thereof, means gross rental income and car park income (after deducting rent rebates and other tenant incentives amortised or otherwise) from the Australia Property, all penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of an Australia Property and the additional property tax recovered from tenants, but shall exclude all other income earned by the MIT such as (i) all other income earned from the Australia Property including, but not limited to, utilities income, car park income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all goods and services tax collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord

Based on the above analysis, we noted that:

- (i) The lease management fee structure differs across the comparable S-REITs;
- (ii) The strategic management fee under the New Australia Strategic Management Agreement is in line with that of Mapletree Logistics Trust; and
- (iii) Furthermore, the strategic management fee payable to AFMA under the New Australia Strategic Management Agreement is in line with the lease management fee structure paid by Ascendas Reit relating to its properties in Singapore, UK/Europe and the USA.

3.7 Comparison of the fee structure under the New Australia Master AMA to those of comparable S-REITs

Pursuant to the New Australia Master AMA, the Australia Asset Manager will provide asset management services, including retaining the services of one or more third-party licensed real estate agents to assist in the provision of the property management services.

3.7.1 Asset management fee

	Asset management fee
Ascendas Reit (under the New Australia Master Asset Management Agreement)	<p>The Australia Asset Manager is entitled to all reasonable costs incurred in providing the property management services for the Australia Properties. The fees payable shall not be less than the fees incurred in the retention of services of one or more licensed real estate agent engaged to assist in the provision of the property management services.</p> <p>The fees will also be adjusted (so as to avoid double counting) for any fee paid to the Australia Asset Manager for the performance of the services provided pursuant to any Individual Australia AMAs.</p>

Based on the above analysis, we noted that:

- (i) The asset management fee payable to the Australia Asset Manager is a reimbursement of all reasonable costs incurred by the Australia Asset Manager in providing the property management services, including the pass-through payment of property management fees to licensed real estate agents engaged to assist in the provision of property management services in respect of the Australia Properties. Ascendas Reit is not paying anything additional, and neither the Manager nor the Australia Asset Manager will be charging any administrative fee for facilitating such an arrangement;
- (ii) Furthermore, there will be no double-counting of fees and the aggregate fee payable to the Australia Asset Manager under both the New Australia Strategic Management Agreement and the New Australia Master AMAs will not exceed the total fee of 1.0% per annum of the Australia Adjusted Gross Revenue of the Australia Properties; and
- (iii) There is no public disclosure of a similar fee arrangement by comparable S-REITs.

3.8 Comparison of the fee structures under the New US ALMAs with comparable S-REITs

The asset management services to be provided under the New US ALMAs pertain to marketing support, property positioning, premises hand-over/taking-over, tenants' fitting out, customer relationship management, procurement and contract management, maintenance management, insurance and administrative management, building regulations and safety, accounting and finance.

Based on our discussions with the Manager, the asset management services customarily undertaken by real estate investment trust managers are delegated by the Manager to the US Asset Manager due to its existing presence in the USA. Accordingly, as set out in paragraph 2.3 of the Circular, the asset management fee payable to the US Asset Manager under the New US ALMAs will reduce the base management fees payable to the Manager under the Trust Deed such that there is no double-counting of the payment of the above fees under the New US ALMAs and the payment of base management fees to the Manager. The payment of lease management fees and project management fees to the US Asset Manager under the New US ALMAs will be separately borne by Ascendas Reit out of its US Adjusted Deposited Property.

For the purpose of comparing the fee structures under the New US ALMAs, we have compiled information that is publicly available in respect of the relevant fee structures of comparable REITs. As Ascendas Reit's portfolio in the USA comprises business parks and office properties and logistics and distribution centres, we have made a comparison to S-REITs with business parks and office properties and logistics and distribution centres in the USA. However, we note that the terms of the management agreements of different properties may differ, based on factors such as the exact type of property managed, the location of the property, the scope of the management agreement, commercial factors at the time the agreement was entered, and other relevant criteria. Accordingly, the Independent Directors, the Audit and Risk Committee and the Trustee should note that any comparison made with respect to the comparable management agreements serves as an illustrative guide only.

3.8.1 Asset management fees

Comparable S-REITs	Manager's management fees
Mapletree Industrial Trust	(i) base fee of 0.5% per annum of the value of all the assets (ii) performance fee of 3.6% per annum of the net property income
Ascendas Reit (under the New US ALMAs)	Not exceeding 0.3% per annum of the total value of the US Adjusted Deposited Property⁽¹⁾

Source: Company's annual reports and initial public offering prospectuses

Note:

(1) Under the New US ALMAs, "US Adjusted Deposited Property" means all US Properties excluding derivative assets, properties under development and right-of-use assets.

Based on the above analysis, we noted that:

- (i) The asset management fee under the New US ALMAs is lower than the base management fee of the comparable S-REIT and does not include a performance fee component;
- (ii) The exclusion of derivative assets, properties under development and right-of-use assets from the definition of the US Adjusted Deposited Property results in a lower value on which the asset management fees are based. Compared to the comparable S-REIT where fees are based on the value of all the assets, the fee arrangement under the New US ALMAs is not less favourable than the comparable S-REIT and therefore not prejudicial to Ascendas Reit and its minority Unitholders;
- (iii) Having considered REITs listed in the other major jurisdictions, there were no other publicly available comparables that were suitable for our evaluation. We have also considered S-REITs with properties in the USA such as Manulife REIT, Prime US REIT and Keppel Pacific Oak US REIT (which charges a base management fee as a percentage of annual distributable income and a performance fee based on DPU growth from the previous financial year) and deem that they are not directly comparable to Ascendas Reit as their portfolios comprise mainly commercial Class A and Class B office buildings whereas Ascendas Reit's portfolio in the USA consists of business parks, office properties and logistics and distribution centres; and

- (iv) For the avoidance of doubt, Ascendas Reit will pay a management fee of 0.5% per annum of the US Adjusted Deposited Property, of which 0.3% will be paid to the US Asset Manager and 0.2% will be paid to the Manager. The management fee of 0.5% per annum of the US Adjusted Deposited Property is consistent with the management fee paid by Ascendas Reit in relation to its properties in other geographies.

3.8.2 Lease management fees

Comparable S-REITs	Lease management fees
Mapletree Industrial Trust	Up to 1.00% per annum of gross revenue of each property
Ascendas Reit (under the New US ALMAs)	1.00% per annum of the Adjusted Gross Revenue⁽¹⁾ of each US Property

Source: Company's annual reports and initial public offering prospectuses

Note:

- (1) Under the New US ALMAs, "Adjusted Gross Revenue" means in respect of a US Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) and car park income from the US Property, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a US Property and the additional property tax recovered from tenants, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the US Property including, but not limited to, utilities income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all sales tax collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.

Based on the above analysis, we noted that:

- (i) The lease management fee under the New US ALMAs is in line with that of the comparable S-REIT;
- (ii) Having considered REITs listed in the other major jurisdictions, there were no other publicly available comparables that were suitable for our evaluation; and
- (iii) Furthermore, the lease management fee under the New US ALMAs is in line with the lease management fee of 1.0% of the adjusted gross revenue paid by Ascendas Reit to the Manager in relation to the Singapore Properties.

3.8.3 Project management fees

Comparable S-REITs	Project management fees	
Mapletree Industrial Trust	Amount of construction costs	Fee (% of construction cost)
	S\$2.0 million or less	3.00%
	Exceed S\$2.0 million but do not exceed S\$20.0 million	2.00%
	Exceed S\$20.0 million but do not exceed S\$50.0 million	1.50%
	Exceed S\$50.0 million	To be mutually agreed by the parties

Comparable S-REITs	Project management fees	
Ascendas Reit (under the New US ALMAs)	Amount of construction costs	Fee (% of construction cost)
	US\$1.4 million or less	3.00%
	Exceed US\$1.4 million but do not exceed US\$8.4 million	2.15%
	Exceed US\$8.4 million but do not exceed US\$28.0 million	1.45%
	Exceed US\$28.0 million but do not exceed US\$49.0 million	1.40%
	Exceed US\$49.0 million but do not exceed US\$70.0 million	1.35%
	Exceed US\$70.0 million	To be mutually agreed by the parties, but not exceeding 1.35%

Source: Company's annual reports

Based on the above analysis, we noted that:

- (i) The project management fee under the New US ALMAs is in line with that of the comparable S-REIT.

3.9 Comparison of the fee structures under the New Europe ALMAs to comparable S-REITs

Similar to the New US ALMAs, the asset management services customarily undertaken by real estate investment trust managers are delegated by the Manager to the Europe Asset Manager due to its existing presence in Europe. Accordingly, as set out in paragraph 2.4 of the Circular, the asset management fee payable to the Europe Asset Manager under the New Europe ALMAs will reduce the base management fees payable to the Manager under the Trust Deed such that there is no double-counting of the payment of the above fees under the New Europe ALMAs and the payment of base management fees to the Manager. The payment of lease management fees and project management fees to the Europe Asset Manager under the New Europe ALMAs will be separately borne by Ascendas Reit out of its Europe Adjusted Deposited Property.

For the purpose of comparing the fee structures under the New Europe ALMAs, we have compiled information that is publicly available in respect of the relevant fee structures of comparable S-REITs. As Ascendas Reit's portfolio in the UK and Europe comprise data centres and logistics properties, we have made a comparison to industrial S-REITs with data centres and logistics properties in the UK and Europe. However, we note that the terms of the management agreements of different properties may differ, based on factors such as the exact type of property managed, the location of the property, the scope of the

management agreement, commercial factors at the time the agreement was entered, and other relevant criteria. Accordingly, the Independent Directors, the Audit and Risk Committee and the Trustee should note that any comparison made with respect to the comparable management agreements serves as an illustrative guide only.

3.9.1 Asset management fees

Comparable S-REITs	Manager's management fees
Cromwell European REIT	(i) a base fee of 0.23% per annum of the value of deposited property; and (ii) a performance fee of 25.0% of the difference in DPU in a year with the DPU in the preceding year
Frasers Logistics and Commercial Trust	(i) a base fee of 0.4% per annum of the value of deposited property; and (ii) a performance fee of 5.0% per annum of distributable income
Keppel DC REIT	(i) a base fee of 0.5% per annum of the value of deposited property; and (ii) a performance fee of 3.5% per annum of net property income
Ascendas Reit (under the New Europe ALMAs)	Not exceeding 0.3% per annum of the total value of the Europe Adjusted Deposited Property⁽¹⁾

Source: Respective companies' annual reports

Note:

(1) Under the New Europe ALMAs, "Europe Adjusted Deposited Property" means all Europe Properties excluding derivative assets, properties under development and right-of-use assets.

Based on the above analysis, we noted that:

- (i) The asset management fee under the New Europe ALMAs is generally in line with the base management fee of comparable S-REITs, and does not include a performance fee component;
- (ii) The exclusion of derivative assets, properties under development and right-of-use assets from the definition of the Europe Adjusted Deposited Property results in a lower value on which the asset management fees will be based. Compared to the comparable S-REITs where fees are based on the value of deposited property, the fee arrangement under the New Europe ALMAs is not less favourable than the comparable S-REITs and therefore not prejudicial to Ascendas Reit and its minority Unitholders; and
- (iii) For the avoidance of doubt, Ascendas Reit will pay a management fee of 0.5% per annum of the Europe Adjusted Deposited Property, of which 0.3% will be paid to the Europe Asset Manager and 0.2% will be paid to the Manager. The management fee of 0.5% per annum of the Europe Adjusted Deposited Property is consistent with the management fee paid by Ascendas Reit in relation to its properties in other geographies.

3.9.2 Lease management fees

Comparable S-REITs	Lease management fees
Cromwell European REIT	(i) (in relation to new leases secured by the property manager) 5.0% of the net rent receivable (capped at 20% of the average rent receivable); (ii) (in relation to renewal of leases secured by the property manager) 2.5% of the net rent receivable (capped at 10% of the average rent receivable); and (iii) (in relation to leases in respect of which fees are owed to a third-party agent) 1.0% of the net rent receivable, (capped at 4% of the average rent receivable).
Frasers Logistics and Commercial Trust	Up to 1.0% per annum of the gross revenue of each property
Keppel DC REIT	Under the facility management agreement in respect of certain properties, the facility manager provides facility management services, lease management services and project management services. The facility manager is entitled to receive facility management fee of 4.0% of EBITDA derived from the underlying end-users (after deducting the fixed rent payable to the group and operating expenses incurred for each property)
Ascendas Reit (under the New Europe ALMAs)	1.0% per annum of the Adjusted Gross Revenue⁽¹⁾ of each Europe Property

Source: Respective companies' annual reports and initial public offering prospectuses

Note:

- (1) Under the New Europe ALMAs, "Adjusted Gross Revenue" means in respect of a Europe Property and in relation to any Fiscal Year or part thereof, means gross rental income (after deducting rent rebates and other tenant incentives amortised or otherwise) and car park income from the Europe Property, penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination of lease) and amounts from any profit sharing agreements for sub-letting of a Europe Property and the additional property tax recovered from tenants, but shall exclude all other income earned by Ascendas Reit such as (i) all other income earned from the Europe Property including, but not limited to, utilities income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all value-added tax collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.

Based on the above analysis, we noted that:

- (i) There are different lease management fee structures across the comparable S-REITs. For instance, for Keppel DC REIT, its lease management services are encompassed within facility management services, and the facility management fee is based on a different fee structure;
- (ii) The lease management fee under the New Europe ALMAs is in line with that of Frasers Logistics and Commercial Trust; and
- (iii) Furthermore, the lease management fee under the New Europe ALMAS is in line with the lease management fee of 1.0% of adjusted gross revenue paid by Ascendas Reit to the Manager in relation to the Singapore Properties.

3.9.3 Project management fees

Comparable S-REITs	Project management fees														
Cromwell European REIT	5.0% of the construction costs for any refurbishment, retrofitting, addition and alteration or renovation works to the relevant property														
Frasers Logistics and Commercial Trust	3.0% of the construction costs depending on the quantum of the construction costs, to be mutually agreed by the manager and the property manager														
Keppel DC REIT	<table border="1"> <thead> <tr> <th style="text-align: center;">Amount of construction costs</th> <th style="text-align: center;">Fee</th> </tr> </thead> <tbody> <tr> <td>S\$2.0 million or less</td> <td>3.0% of construction cost</td> </tr> <tr> <td>Exceed S\$2.0 million but do not exceed S\$20.0 million</td> <td>2.0% of construction cost or S\$60,000, whichever is the higher</td> </tr> <tr> <td>Exceed S\$20.0 million but do not exceed S\$50.0 million</td> <td>1.5% of construction cost or S\$400,000, whichever is the higher</td> </tr> <tr> <td>Exceed S\$50.0 million</td> <td>Not more than 1.5% of construction cost</td> </tr> </tbody> </table>	Amount of construction costs	Fee	S\$2.0 million or less	3.0% of construction cost	Exceed S\$2.0 million but do not exceed S\$20.0 million	2.0% of construction cost or S\$60,000, whichever is the higher	Exceed S\$20.0 million but do not exceed S\$50.0 million	1.5% of construction cost or S\$400,000, whichever is the higher	Exceed S\$50.0 million	Not more than 1.5% of construction cost				
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Exceed S\$50.0 million	Not more than 1.5% of construction cost														
Ascendas Reit (under the New Europe ALMAs)	<table border="1"> <thead> <tr> <th style="text-align: center;">Amount of construction costs</th> <th style="text-align: center;">Fee (% of construction cost)</th> </tr> </thead> <tbody> <tr> <td>£2.0 million or less</td> <td>3.0%</td> </tr> <tr> <td>Exceed £2.0 million but do not exceed £12.0 million</td> <td>2.15%</td> </tr> <tr> <td>Exceed £12.0 million but do not exceed £40.0 million</td> <td>1.45%</td> </tr> <tr> <td>Exceed £40.0 million but do not exceed £70.0 million</td> <td>1.40%</td> </tr> <tr> <td>Exceed £70.0 million but do not exceed £100.0 million</td> <td>1.35%</td> </tr> <tr> <td>Exceed £100.0 million</td> <td>To be mutually agreed by the parties, but not exceeding 1.35%</td> </tr> </tbody> </table>	Amount of construction costs	Fee (% of construction cost)	£2.0 million or less	3.0%	Exceed £2.0 million but do not exceed £12.0 million	2.15%	Exceed £12.0 million but do not exceed £40.0 million	1.45%	Exceed £40.0 million but do not exceed £70.0 million	1.40%	Exceed £70.0 million but do not exceed £100.0 million	1.35%	Exceed £100.0 million	To be mutually agreed by the parties, but not exceeding 1.35%
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Exceed £100.0 million	To be mutually agreed by the parties, but not exceeding 1.35%														

Source: Respective companies' annual reports

Based on the above analysis, we noted that:

- (i) The project management fee under the New Europe ALMAs is generally in line with that of comparable S-REITs.

4. OPINION

Having regard to our terms of reference, in arriving at our opinion, we have considered various factors deemed pertinent and to have significant bearing on our assessment of the New Management Agreements. We have carefully considered the factors as deemed essential and balanced them before reaching our opinion. Accordingly, it is important that this Letter, in particular, the considerations and information we have taken into account, be read in its entirety.

Our opinion is based solely on information made available to us as at the date of this Letter. The principal factors that we have taken into consideration in forming our opinion are summarised as below:

- (i) The Manager's rationale for the entry into New Management Agreements;
- (ii) Save for the key updates disclosed in Appendix A of the Circular, there are no material differences in the fees payable under the New Management Agreements and the Existing Management Agreements; and
- (iii) The fee structure and other key terms under the New Management Agreements are broadly in line with those of comparable S-REITs, where applicable.

Having considered the above and subject to the assumptions and qualifications set out herein and taking into account the prevailing conditions as at the date of this Letter, **we are of the opinion that the New Management Agreements are based on normal commercial terms and are not prejudicial to the interests of Ascendas Reit and its minority Unitholders.**

Accordingly, we advise the Independent Directors and the Audit and Risk Committee to recommend that Unitholders vote in favour of Resolution 1 to be proposed at the EGM, the notice of which is set out in the Circular. However, we wish to highlight that each Unitholder may have different investment objectives and considerations and hence should seek their own professional advice.

The foregoing recommendation is issued pursuant to Listing Rule 921(4) and addressed to the Independent Directors, the Audit and Risk Committee and the Trustee in connection with the proposed entry into the New Management Agreements and for the Independent Directors and the Audit and Risk Committee to advise and make their recommendation to the minority Unitholders in respect thereof. The recommendation made by the Independent Directors or the Audit and Risk Committee to Unitholders shall remain their responsibility respectively.

Our recommendation is governed by the laws of Singapore and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully

For and on behalf of
Deloitte & Touche Corporate Finance Pte Ltd

Koh Soon Bee
Executive Director

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ASCENDAS REAL ESTATE INVESTMENT TRUST

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of the holders of units in Ascendas Real Estate Investment Trust (“**Ascendas Reit**”, the units in Ascendas Reit, “**Units**”, and the holders of Units, “**Unitholders**”) will be convened and held by way of electronic means on Wednesday, 6 July 2022 at 3.00 p.m. (Singapore Time), for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution (capitalised terms not otherwise defined herein shall bear the meanings ascribed to them in the circular dated 14 June 2022 to Unitholders (the “**Circular**”)):

THE PROPOSED ENTRY INTO THE NEW MANAGEMENT AGREEMENTS (ORDINARY RESOLUTION)

That:

- (i) approval be and is hereby given for the proposed entry into the New Management Agreements (including the New Australia Individual AMAs, the New US Individual ALMAs, and the New Europe Individual ALMAs from time to time);
- (ii) approval be and is hereby given for the payment of all fees, expenses and reimbursements relating to or arising from the New Management Agreements (including the New Australia Individual AMAs, the New US Individual ALMAs, and the New Europe Individual ALMAs from time to time); and
- (iii) the Manager, any director of the Manager (“**Director**”), and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing the New Management Agreements and other documents pursuant to or in connection with the entry into the New Management Agreements) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or to be in the interests of Ascendas Reit to give effect to the New Management Agreements.

Details of the New Management Agreements and other related matters are set out in the Circular.

BY ORDER OF THE BOARD

Ascendas Funds Management (S) Limited

(Company Registration Number: 200201987K)

as manager of Ascendas Real Estate Investment Trust

Michelle Koh
Company Secretary
Singapore
14 June 2022

IMPORTANT NOTICE:

1. Alternative arrangements for conduct of the EGM

The EGM is being convened and will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

Printed copies of this Notice will not be sent to Unitholders. Instead, this Notice will be sent to Unitholders by electronic means via publication on Ascendas Reit's website at the URL <https://ir.ascendas-reit.com/agm.html> and will also be made available on SGXNet at <https://www.sgx.com/securities/company-announcements>.

As a precautionary measure due to the current COVID-19 situation in Singapore, a Unitholder will not be able to attend the EGM in person. Alternative arrangements relating to the conduct of the EGM, including:


- (a) attending the EGM via electronic means (including arrangements by which the EGM can be electronically accessed via live audio-visual webcast or live audio-only stream);
- (b) submitting questions to the Chairman of the EGM in advance of, or live at, the EGM, and addressing of substantial and relevant questions in advance of, or live at, the EGM; and
- (c) voting at the EGM (i) live by the Unitholder or his/her/its duly appointed proxy(ies) (other than the Chairman of the EGM) via electronic means or (ii) by appointing the Chairman of the EGM, as proxy to vote on the Unitholder's behalf at the EGM,

are set out below. Any reference to a time of day is made by reference to Singapore time.

2. Pre-Registration for the EGM

Unitholders, including CPF and SRS investors, will be able to observe and/or listen to the EGM proceedings through a live audio-visual webcast or live audio-only stream via their mobile phones, tablets or computers. In order to do so, they must pre-register for the EGM.

Unitholders, including CPF and SRS investors, can pre-register themselves or, where applicable, their appointed proxy(ies), for the EGM at the pre-registration website at the URL <https://ir.ascendas-reit.com/agm.html> from **Tuesday, 14 June 2022** up to **3.00 p.m. on Sunday, 3 July 2022** to enable the Manager to verify their status as Unitholders. Unitholders, including CPF and SRS investors, can refer to paragraphs 3 and 4 below, for more information.

<p>Unitholders, including CPF and SRS investors, can scan the Quick Response (QR) code to pre-register for the EGM.</p>	
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Following the verification, authenticated Unitholders, including CPF and SRS investors, or, where applicable, their duly appointed proxy(ies) who have (or have been) pre-registered will receive an email confirming successful registration by **12.00 p.m. on Tuesday, 5 July 2022** which will contain unique user credentials as well as instructions on how to access the live audio-visual webcast or live audio-only stream of the EGM proceedings (“**Confirmation Email**”).

Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies) who have (or have been) pre-registered by the 3 July 2022 deadline but have not received the Confirmation Email by **12.00 p.m. on Tuesday, 5 July 2022** should immediately contact Ascendas Reit’s Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at (65) 6536 5355 (during office hours) or via email at areit-egm2022@boardroomlimited.com.

If more than one pre-registration is submitted via the pre-registration website, the last submitted pre-registration will override the previously submitted pre-registration(s) and instrument appointing a proxy(ies) (as applicable), and the Confirmation Email will be sent to only the authenticated Unitholder or, as the case may be, his/her/its duly appointed third-party proxy(ies) (as applicable), as indicated in the last submitted pre-registration.

3. Question and answer

Unitholders, including CPF and SRS investors, can submit questions in advance of, or live at, the EGM.

Submission of questions in advance of the EGM

Unitholders, including CPF and SRS investors, can submit to the Chairman of the EGM substantial and relevant questions related to the resolution to be tabled for approval at the EGM in advance of the EGM. Such questions must be received by the Manager no later than **3.00 p.m. on Sunday, 3 July 2022**, and can be submitted in the following manner:

- (a) by post to the office of Ascendas Reit’s Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632;
- (b) via the pre-registration website at the URL <https://ir.ascendas-reit.com/agm.html>; or
- (c) via email to the Manager at areit-egm2022@boardroomlimited.com.

Unitholders, including CPF and SRS investors, who submit questions by post or via email must provide the following information for authentication:

- (i) the Unitholder’s full name;
- (ii) the Unitholder’s address; and
- (iii) the manner in which the Unitholder holds units in Ascendas Reit (e.g., via CDP, CPF and/or SRS).

Ask questions live at the EGM

Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies) can also ask the Chairman of the EGM substantial and relevant questions related to the resolution to be tabled for approval at the EGM, live at the EGM, by typing in and submitting their questions through the live chat function via the audio-visual webcast platform.

Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies), can ask questions live at the EGM. All must be pre-registered and authenticated.

Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies) must access the EGM proceedings via the live audio-visual webcast in order to ask questions live at the EGM, and will not be able to do so via the audio-only stream of the EGM proceedings.

Addressing questions

The Manager's Chairman, Dr Beh Swan Gin, and Chief Executive Officer, Mr William Tay Wee Leong, will conduct the proceedings of the EGM and, together with the remaining directors and senior management of the Manager, will address the substantial and relevant questions raised during the EGM which are related to the resolution to be tabled for approval at the EGM.

The Manager will endeavour to address all substantial and relevant questions (which are related to the resolution to be tabled for approval at the EGM) received in advance of the EGM from Unitholders, prior to or during the EGM. The Manager will publish the responses to those questions which the Manager will not be addressing during the EGM, on Ascendas Reit's website at the URL <https://ir.ascendas-reit.com/agm.html> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> prior to the EGM. Where substantially similar questions are received, the Manager will consolidate such questions and consequently not all questions may be individually addressed.

The Manager will publish the minutes of the EGM on Ascendas Reit's website at the URL <https://ir.ascendas-reit.com/agm.html> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> within one month from the date of the EGM, and the minutes will include the responses to the substantial and relevant questions received from Unitholders which are addressed during the EGM.

4. Vote live, or appoint proxy(ies) to vote, at the EGM

Unitholders who wish to exercise their voting rights at the EGM may:

- (a) (where such Unitholders are individuals) vote live via electronic means at the EGM or (whether such Unitholders are individuals or corporates) appoint a proxy(ies) (other than the Chairman of the EGM) to vote live via electronic means at the EGM on their behalf; or
- (b) (whether such Unitholders are individuals or corporates) appoint the Chairman of the EGM as their proxy to vote on their behalf at the EGM.

Unitholders who wish to appoint a proxy(ies) must submit an instrument of proxy in accordance with (i) (if submitting an instrument of proxy by post or via email) the instructions on the Proxy Form; or (ii) (if submitting an instrument of proxy via the pre-registration website) the instructions accompanying the online proxy appointment process.

Vote live at the EGM

Unitholders, including CPF and SRS investors, who wish to vote live via electronic means at the EGM must first pre-register themselves at the pre-registration website at the URL <https://ir.ascendas-reit.com/agm.html>. CPF and SRS investors can refer to paragraph 5 below for more information.

Unitholders who wish to appoint a proxy(ies) (other than the Chairman of the EGM) must, in addition to completing and submitting an instrument appointing a proxy(ies), pre-register their appointed proxy(ies) at the pre-registration website at the URL <https://ir.ascendas-reit.com/agm.html>.

Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies) must access the EGM proceedings via the live audio-visual webcast in order to vote live at the EGM, and will not be able to do so via the audio-only stream of the EGM proceedings.

Appointment of proxy(ies)

A Unitholder who wishes to submit an instrument of proxy must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

A Unitholder who is not a relevant intermediary (as defined herein) is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such Unitholder's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the unitholding concerned to be represented by each proxy must be specified in the instrument appointing a proxy(ies).

A Unitholder who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of Units held in relation to which each proxy has been appointed must be specified in the instrument appointing a proxy(ies).

The Proxy Form can be downloaded from Ascendas Reit's website at the URL <https://ir.ascendas-reit.com/agm.html> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. Printed copies of the Proxy Form will not be sent to Unitholders.

A Unitholder who wishes to submit an instrument of proxy must do so in the following manner:

- (a) if submitted by post, by completing and signing the Proxy Form, before lodging it at the office of Ascendas Reit's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or
- (b) if submitted electronically:
 - (i) via email, by completing and signing the Proxy Form, before attaching and sending a clear PDF copy of it to Ascendas Reit's Unit Registrar at areit-egm2022@boardroomlimited.com; or
 - (ii) via the pre-registration website, by completing and authorising the appointment using the online proxy appointment process through the pre-registration website at the URL <https://ir.ascendas-reit.com/agm.html>,

in each case, **by 3.00 p.m. on Sunday, 3 July 2022** (Singapore Time), being 72 hours before the time fixed for the EGM.

In view of the current COVID-19 situation in Singapore, Unitholders are strongly encouraged to submit completed Proxy Forms electronically via email or via the online process through the pre-registration website.

5. Persons who hold Units through relevant intermediaries

Persons who hold Units of Ascendas Reit through relevant intermediaries, other than CPF and SRS investors, and who wish to participate in the EGM by:

- (a) observing and/or listening to the EGM proceedings via live audio-visual webcast or audio-only stream;
- (b) submitting questions to the Chairman of the EGM in advance of, or live at, the EGM; and/or
- (c) voting at the EGM (i) live via electronic means by being appointed as proxy by their relevant intermediary; or (ii) by appointing the Chairman of the EGM as proxy to vote on their behalf at the EGM,

should contact the relevant intermediary through which they hold such Units as soon as possible in order for the necessary arrangements to be made for their participation in the EGM.

CPF and SRS investors:

- (a) may vote live via electronic means at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
- (b) may appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on Friday, 24 June 2022**, being at least seven (7) working days before the date of the EGM. For avoidance of doubt, CPF and SRS investors will not be able to appoint third-party proxy(ies) (i.e., persons other than the Chairman of the EGM) to vote live at the EGM on their behalf.

“relevant intermediary” means:

- (i) a banking corporation licensed under the Banking Act 1970, or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
- (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds Units in that capacity; or
- (iii) the Central Provident Fund Board (the **“CPF Board”**) established by the Central Provident Fund Act 1953, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

6. Other information

- (a) Unitholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies) must access the EGM proceedings via the live audio-visual webcast in order to ask questions and vote live at the EGM;
- (b) A proxy need not be a Unitholder;
- (c) The Circular dated 14 June 2022 (in relation to the proposed entry into the New Management Agreements) and its related documents have been published on Ascendas Reit's website and may be accessed at the URL <https://ir.ascendas-reit.com/agm.html> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

Printed copies of these documents will not be sent to Unitholders. Any Unitholder who wishes to receive printed copies of the Circular should submit his/her/its request via email at a-reit@capitaland.com.

- (d) Due to the constantly evolving COVID-19 situation in Singapore, the Manager may be required to change the arrangements for the EGM at short notice. Unitholders should check Ascendas Reit's website at the URL <https://ir.ascendas-reit.com/agm.html> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> for the latest updates on the status of the EGM.

PERSONAL DATA PRIVACY:

By (a) submitting an instrument appointing a proxy(ies) to attend, speak and vote at the EGM and/or any adjournment thereof, (b) submitting the pre-registration for the EGM in accordance with this Notice; and/or (c) submitting any question to the Chairman of the EGM in advance of the EGM in accordance with this Notice, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their respective agents or service providers) for the following purposes (collectively, "**Purposes**"); (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) to the Manager and the Trustee (or their respective agents or service providers), the Unitholder has obtained the prior consent of such proxy(ies) for the collection, use and disclosure by the Manager and the Trustee (or their respective agents or service providers) of the personal data of such proxy(ies) for the Purposes; and (iii) agrees to provide the Manager and the Trustee with written evidence of such prior consent upon reasonable request:

- (1) the processing, administration and analysis by the Manager and the Trustee (or their respective agents or service providers) of instruments appointing a proxy(ies) for the EGM (including any adjournment thereof);
- (2) the processing of the pre-registration for purposes of verifying the status of Unitholders, granting access to Unitholders (or their appointed proxy(ies)) to the EGM and providing them with any technical assistance where necessary;
- (3) the addressing of relevant and substantial questions received from Unitholders in advance of the EGM and, if necessary, the following up with the relevant Unitholders in relation to such questions;
- (4) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof); and
- (5) in order for the Manager and the Trustee (or their respective agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

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PROXY FORM
Extraordinary General Meeting



ASCENDAS REAL ESTATE INVESTMENT TRUST

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

NOTE

This Proxy Form may be accessed at Ascendas Real Estate Investment Trust's ("Ascendas Reit") website at the URL <https://ir.ascendas-reit.com/aggm.html>, and has also been made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Printed copies of this Proxy Form will not be sent to unitholders of Ascendas Reit ("Unitholders").

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 14 June 2022.

IMPORTANT

- The Extraordinary General Meeting ("EGM") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of EGM will not be sent to Unitholders. Instead, the Notice of EGM will be sent to Unitholders by electronic means via publication on Ascendas Reit's website at the URL <https://ir.ascendas-reit.com/aggm.html>, and SGXNet at <https://www.sgx.com/securities/company-announcements>. **Please refer to the Notice of EGM for details of the alternative arrangements relating to the conduct of the EGM.**
- As a precautionary measure due to the current COVID-19 situation in Singapore, a Unitholder will not be able to attend the EGM in person.** A Unitholder who wishes to exercise his/her/its voting rights at the EGM may:
 - (where the Unitholder is an individual) vote live via electronic means at the EGM or (whether the Unitholder is an individual or a corporate) appoint a proxy(ies) (other than the Chairman of the EGM) to vote live via electronic means at the EGM on his/her/its behalf; or
 - (whether the Unitholder is an individual or a corporate) appoint the Chairman of the EGM as his/her/its proxy to vote on his/her/its behalf at the EGM.
- This Proxy Form is for use by Unitholders wishing to appoint a proxy(ies) for the EGM. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).
- This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF and SRS investors. CPF and SRS investors (a) may vote live via electronic means at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators as soon as practicable if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on Friday, 24 June 2022**, being at least seven (7) working days before the date of the EGM.

I/We, _____ (Name),

_____ (NRIC/Passport/Company Registration Number) of _____

_____ (Address)

being a unitholder/unitholders of Ascendas Reit, hereby appoint:

Name:	NRIC/Passport No.:	Proportion of Unitholdings	
		No. of Units	%
Email Address:			

and/or (delete as appropriate)

Name:	NRIC/Passport No.:	Proportion of Unitholdings	
		No. of Units	%
Email Address:			

as my/our proxy to attend, speak and vote for me/us on my/our behalf at the EGM of Ascendas Reit to be convened and held by way of electronic means, on **Wednesday, 6 July 2022 at 3.00 p.m.** (Singapore Time) and at any adjournment thereof. I/We direct my/our proxy(ies) to vote for or against, or to abstain from voting on, the resolution to be proposed at the EGM as indicated hereunder.

No.	Resolution relating to:	For*	Against*	Abstain*
ORDINARY RESOLUTION				
1.	To approve the entry into the New Management Agreements (Ordinary Resolution)			

* Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against" a resolution, please indicate with a "✓" in the space provided under "For" or "Against". If you wish your proxy/proxies to abstain from voting on a resolution, please indicate a "✓" in the space provided under "Abstain". Alternatively, please indicate the number of Units that your proxy/proxies is directed to vote "For" or "Against" or to abstain from voting. In the absence of voting instruction, the proxy/proxies may vote or abstain as the proxy/proxies deems fit on the resolution and on any other matters arising at the EGM.

Dated this _____ day of _____ 2022

Total Number of Units Held

 Signature(s) of Unitholder(s)/Common Seal of Corporate Unitholder

IMPORTANT: PLEASE READ NOTES TO PROXY FORM ON REVERSE PAGE



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be paid by
addressee.

For posting in
Singapore only.

**BUSINESS REPLY SERVICE
PERMIT NO. 08450**



Ascendas Funds Management (S) Limited
(as Manager of Ascendas Real Estate Investment Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
Keppel Bay Tower #14-07
Singapore 098632

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NOTES TO PROXY FORM:

1. A Unitholder who is not a relevant intermediary (as defined below) is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such Unitholder's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the unitholding concerned to be represented by each proxy shall be specified in the instrument appointing a proxy(ies).
2. A Unitholder who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different unit in Ascendas Reit ("Unit") or Units held by such Unitholder. Where such Unitholder's instrument appointing a proxy(ies) appoints more than two proxies, the number of Units held in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy(ies).

"relevant intermediary" means:

- (i) a banking corporation licensed under the Banking Act 1970, or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
 - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds Units in that capacity; or
 - (iii) the Central Provident Fund Board ("CPF Board") established by the Central Provident Fund Act 1953, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a Unitholder.
 4. A Unitholder who wishes to submit an instrument of proxy must do so in the following manner:
 - (a) if submitted by post, by completing and signing the Proxy Form, before lodging it at the office of Ascendas Reit's Unit Registrar at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632;
 - (b) if submitted electronically:
 - i. via email, by completing and signing the Proxy Form, before attaching and sending a clear PDF copy of it to Ascendas Reit's Unit Registrar at areit-egm2022@boardroomlimited.com; or;
 - ii. via the pre-registration website, by completing and authorising the appointment using the online proxy appointment process, through the pre-registration website at <https://ir.ascendas-reit.com/agm.html>,

in each case, by **3.00 p.m. on Sunday, 3 July 2022** (Singapore time), being 72 hours before the time fixed for the EGM.

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In view of the current COVID-19 situation in Singapore, Unitholders are strongly encouraged to submit completed instruments appointing a proxy(ies) electronically via email or via the online process through the pre-registration website.

5. A Unitholder should insert the total number of Units held in the Proxy Form. If the Unitholder has Units entered against his/her/its name in the Depository Register maintained by The Central Depository (Pte) Limited, he/she/it should insert that number of Units. If the Unitholder has Units registered in his/her/its name in the Register of Unitholders of Ascendas Reit, he/she/it should insert that number of Units. If the Unitholder has Units entered against his/her/its name in the said Depository Register and registered in his/her/its name in the Register of Unitholders, he/she/it should insert the aggregate number of Units. If no number is inserted, the Proxy Form will be deemed to relate to all the Units held by the Unitholder.
6. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where the Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof must (failing previous registration with the Manager), if the Proxy Form is submitted by post, be lodged with the Proxy Form, or, if the Proxy Form is submitted via email, be emailed with the Proxy Form, failing which the Proxy Form may be treated as invalid.
8. Any reference to a time of day is made by reference to Singapore time.

GENERAL

The Manager shall be entitled to reject this Proxy Form if it is incomplete, improperly completed or illegible or where the true intention of the appointor is not ascertainable from the instruction of the appointor specified in the Proxy Form. In the case of Unitholders whose Units are entered against their names in the Depository Register, the Manager may reject any Proxy Form lodged if such Unitholders are not shown to have the corresponding number of Units in Ascendas Reit entered against his/her/its name in the Depository Register not less than 72 hours before the time appointed for holding the EGM, as certified by CDP to the Manager.