

**Appendix dated 24 March 2016**

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If you are in any doubt as to the contents herein or 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 all your units in Keppel REIT, please forward this Appendix to the purchaser or bank or stockbroker or agent through whom the sale was effected for onward transmission to the purchaser.



(Constituted in the Republic of Singapore pursuant to a trust deed dated 28 November 2005 (as amended))

MANAGED BY

**KEPPEL REIT MANAGEMENT LIMITED**

**APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING  
DATED 24 MARCH 2016**

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# APPENDIX 1

## PROPOSED CHANGE OF AUDITOR

### 1. BACKGROUND

- 1.1 Keppel REIT's existing auditor Ernst & Young LLP ("EY") has been the auditor of Keppel REIT since 28 April 2006. EY was last re-appointed as the auditor of Keppel REIT at the annual general meeting of Keppel REIT held on 14 April 2015 (the "2015 AGM") to hold office until the conclusion of the forthcoming annual general meeting of Keppel REIT to be held on 15 April 2016 (the "2016 AGM").
- 1.2 Keppel REIT Management Limited (as manager of Keppel REIT) (the "Manager") proposes to seek Unitholders' approval at the 2016 AGM for PricewaterhouseCoopers LLP ("PwC") to be appointed as the auditor of Keppel REIT, in place of the retiring auditor of Keppel REIT, EY (the "Proposed Change of Auditor").

### 2. INFORMATION ON PWC

- 2.1 With more than 2,500 staff, including over 100 partners, PwC is a leading professional services firm in Singapore. PwC provides a wide range of services to help organisations solve business issues, identify and maximise opportunities. Globally, PwC has a network of firms in 157 countries with more than 208,000 people. Their highly qualified and experienced professionals, in Singapore and throughout the globe, allow them to provide the support their clients need wherever they may be located.
- 2.2 The PwC team will be led by Mr Yeow Chee Keong who has more than 20 years of experience in assurance assignments. Mr Yeow is the leader of the Real Estate and Hospitality Practice of PwC Singapore and has been and is still currently involved in the audits of various REITs in Singapore. He has worked in Melbourne, New York and Shanghai on key regional and global PwC client engagements. Mr Yeow is a practising member of the Institute of Singapore Chartered Accountants and is a public accountant registered with the Accounting and Corporate Regulatory Authority of Singapore.
- 2.3 Mr Yeow will be assisted by a team of audit professionals in performing the audit. The audit team includes a quality review partner, who is an experienced partner to ensure that the engagement team provides independent and objective viewpoints on the audit. The audit team also consists of an engagement manager, as well as senior and graduate associates.
- 2.4 For more information on PwC, please visit [www.pwc.com/sg](http://www.pwc.com/sg).

### 3. RATIONALE

- 3.1 The Audit and Risk Committee (the "ARC") reviews the independence and objectivity of the auditor of Keppel REIT annually. EY has been the auditor of Keppel REIT since its commencement as a listed entity on the Singapore Exchange Securities Trading Limited ("SGX-ST") in April 2006. EY has provided Keppel REIT with sound professional audit services since its appointment. Nevertheless, in line with the Manager's commitment to uphold and practice good corporate governance, the ARC was of the view that a change of auditor at this point would be timely.
- 3.2 Following the evaluation of proposals submitted by large established accounting firms in Singapore and after due deliberation, the Board of Directors of the Manager (the

**“Board”**) on the recommendation of the ARC, recommends that PwC be appointed as the auditor of Keppel REIT for the financial year ending 31 December 2016, in place of EY. In assessing the suitability of PwC, the Board and the ARC took into consideration various factors, such as whether PwC has adequate resources and experience to conduct the audit, whether the audit engagement partner assigned to the audit has the relevant and appropriate level of experience and whether there would be adequate number of suitably experienced supervisory and professional staff assigned to the audit, having due regard to the size, businesses and complexity of Keppel REIT, amongst other considerations. Following the review, the Board and the ARC are of the opinion that (a) PwC will be able to meet the audit requirements of Keppel REIT and (b) Rules 712 and 715 read with Rule 716 of the Listing Manual of the SGX-ST (the “Listing Manual”) will be complied with.

- 3.3 The scope of audit services to be provided by PwC will be comparable to the services currently provided by EY.
- 3.4 Following the above, PwC had, on 3 March 2016, given their written consent to be appointed as the auditor of Keppel REIT, subject to approval of the Unitholders at the 2016 AGM. The Manager has also received a notice of nomination of PwC as the proposed new auditor of Keppel REIT dated 23 February 2016 from a Unitholder (the **“Notice of Nomination”**). A copy of the Notice of Nomination is enclosed at the Annex to this Appendix.
- 3.5 The appointment of PwC would be effective upon obtaining the approval of Unitholders at the 2016 AGM for the Proposed Change of Auditor. If approved, PwC will hold office until the conclusion of the next Annual General Meeting of Keppel REIT.
- 3.6 In view of the above, EY will retire and not seek re-appointment as the auditor of Keppel REIT at the 2016 AGM, being the end of their current term. Keppel REIT had, on 25 February 2016, received a letter from EY giving notice that they would not be seeking re-appointment as the auditor of Keppel REIT at the 2016 AGM. The Board wishes to express its appreciation for the past audit services rendered by EY.

#### **4. CONFIRMATIONS**

In accordance with the requirements of Rule 1203(5) of the Listing Manual:

- (a) the outgoing auditor, EY, has confirmed that it is not aware of any professional reasons why the new auditor, PwC, should not accept appointment as the auditor of Keppel REIT;
- (b) the Manager confirms that there were no disagreements with the retiring auditor, EY, on accounting treatments within the last 12 months;
- (c) the Manager confirms that it is not aware of any circumstances connected with the Proposed Change of Auditor that should be brought to the attention of Unitholders, which has not been disclosed in this Appendix;
- (d) the specific reasons for the Proposed Change of Auditor are disclosed in paragraph 3 above; and
- (e) the Manager confirms that Rule 712 and Rule 715 read with Rule 716 of the Listing Manual have been complied with in relation to the appointment of PwC as the auditor of Keppel REIT.

## **5. CONSENTS**

Each of EY and PwC has given and has not withdrawn its written consent to the issue of this Appendix with the inclusion of their name and all references thereto, in the form and context in which they appear in this Appendix.

## **6. AUDIT AND RISK COMMITTEE STATEMENT**

The ARC has reviewed and deliberated, and after taking into consideration the suitability of PwC and ensuring compliance with the Listing Manual, is satisfied that the appointment of PwC as the auditor of Keppel REIT and its subsidiaries, excluding its significant associated companies would not compromise the standard and effectiveness of the audit of Keppel REIT, and recommends the appointment of PwC as the auditor of Keppel REIT in place of the retiring auditor, EY, to hold office until the conclusion of the next Annual General Meeting of Keppel REIT.

## **7. DIRECTORS' RECOMMENDATIONS**

The Directors, having taken into account the ARC's recommendations and the rationale for the Proposed Change of Auditor as set out in paragraph 3 above, are satisfied that PwC will be able to meet the audit requirements of the Group and are of the opinion that the proposed appointment of PwC as the auditor of Keppel REIT in place of the retiring auditor, EY, is in the best interests of Keppel REIT. They accordingly recommend that Unitholders vote in favour of the Proposed Change of Auditor at the 2016 AGM.

## **8. DIRECTORS' RESPONSIBILITY STATEMENT**

8.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Change of Auditor, Keppel REIT and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

8.2 Where information contained in this Appendix 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 these sources and/or reproduced in this Appendix in its proper form and context.

## **9. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents are available for inspection during normal business hours at the registered office of the Manager at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632 from the date of this Appendix up to and including the date of the 2016 AGM to be convened:

- (a) the letter from EY, giving notice that they would not be seeking re-appointment as the auditor of Keppel REIT at the 2016 AGM; and
- (b) the letter from PwC, giving their consent to act as the auditor of Keppel REIT, subject to the approval of Unitholders at the 2016 AGM.

## ANNEX 1A

23 February 2016

The Board of Directors  
Keppel REIT Management Limited (as manager of Keppel REIT)  
1 HarbourFront Avenue  
#18-01 Keppel Bay Tower  
Singapore 098632

Dear Sirs

### NOTICE OF NOMINATION

Pursuant to the provisions of Section 205 of the Companies Act, Chapter 50 of Singapore, we, Keppel Land Limited, in our capacity as a unitholder of Keppel REIT, hereby give notice of our nomination of PricewaterhouseCoopers LLP of 8 Cross Street, #17-00 PWC Building, Singapore 048424 for appointment as Auditors of Keppel REIT in place of the retiring Auditors, Ernst & Young LLP, at the forthcoming Annual General Meeting on 15 April 2016 or any adjournment thereof.

Yours faithfully  
For and on behalf of Keppel Land Limited



Lim Kei Hin  
Chief Financial Officer

