



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

2 April 2024

To: The unitholders of CapitaLand Ascendas REIT

Dear Sir/Madam

## **1. INTRODUCTION**

### **1.1 Summary**

We refer to the proposed Ordinary Resolution 2 ("**Resolution 2**") under the "Ordinary Business" section of the notice dated 2 April 2024 convening the annual general meeting ("**AGM**") of CapitaLand Ascendas REIT ("**CLAR**", and the notice, the "**Notice of AGM**") to be held physically at Big Picture Theatre, Level 9, Capital Tower, 168 Robinson Road, Singapore 068912 and by electronic means on Friday, 26 April 2024 at 3.00 p.m. (Singapore Time).

Resolution 2 relates to the proposed appointment of Deloitte & Touche LLP ("**Deloitte**") as the auditors ("**Auditors**") of CLAR, to hold office until the conclusion of the next AGM of CLAR, in place of the retiring Auditors of CLAR, Ernst & Young LLP ("**EY**"), and to authorise CapitaLand Ascendas REIT Management Limited, as manager of CLAR (the "**Manager**") to fix their remuneration (the "**Proposed Change of Auditors**").

### **1.2 This Appendix**

The purpose of this Appendix is to provide the holders of the units in CLAR ("**Units**", and the holders of the Units, "**Unitholders**") with information relating to the above proposal which will be tabled at the AGM.

### **1.3 Advice to Unitholders**

Unitholders should note that by approving Resolution 2 relating to the Proposed Change of Auditors, they will be approving the appointment of Deloitte as Auditors of CLAR in place of EY as the retiring Auditors of CLAR, and they will be authorising the Manager to fix their remuneration.

If a Unitholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

### **1.4 Singapore Exchange Securities Trading Limited ("**SGX-ST**")**

The SGX-ST assumes no responsibility for the accuracy of any statements or opinions made, or reports contained, in this Appendix.

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### 2. RATIONALE FOR THE PROPOSED CHANGE OF AUDITORS

#### 2.1 Retirement of EY as Auditors

EY, the retiring Auditors, have served as the Auditors of CLAR since 2016. As part of CLAR's ongoing good corporate governance initiatives, the directors of the Manager (the "**Directors**") are of the view that it would be timely to effect a change in Auditors with effect from the financial year ending 31 December 2024.

Deloitte was selected for the proposed appointment after the audit and risk committee of the Manager (the "**ARC**") invited and evaluated competitive proposals from various audit firms. The ARC reviewed and deliberated on the proposals received from each of the audit firms, taking into consideration the audit quality indicators listed in the Audit Quality Indicators Disclosure Framework introduced by the Accounting and Corporate Regulatory Authority ("**ACRA**") and the criteria for the evaluation and selection of external auditors contained in the Guidebook for Audit Committees in Singapore, including factors such as the adequacy of the resources and experience of the audit firm to be selected and the audit engagement partner to be assigned to the audit, the audit firm's other engagements, the size and complexity of CLAR and its subsidiaries and the number and experience of supervisory and professional staff to be assigned. After evaluation, the ARC recommended that Deloitte be selected for the proposed appointment as new Auditors of CLAR.

In reviewing and deliberating on the Proposed Change of Auditors, the ARC is also satisfied that the requirements of Rule 712(1), Rule 712(2) and Rule 715 of the Listing Manual of the SGX-ST (the "**Listing Manual**") will be complied with. For the purpose of Rule 715(1) of the Listing Manual, Deloitte will also be appointed for all of CLAR's Singapore-incorporated subsidiaries and significant associated companies. Pursuant to Rule 715(2) of the Listing Manual, CLAS must engage a suitable auditing firm for its significant foreign-incorporated subsidiaries and associated companies. The member firms of Deloitte Touche Tohmatsu Limited will audit the financials of CLAR's significant foreign-incorporated subsidiaries and associated companies.

The Directors have taken into account the ARC's recommendation, including the factors considered in their evaluation, and are satisfied that Deloitte will be able to meet the audit requirements of CLAR. Accordingly, the Directors recommend the appointment of Deloitte as the Auditors of CLAR in place of the retiring Auditors, EY.

The scope of audit services to be provided by Deloitte will be comparable to those currently provided by EY.

#### 2.2 Deloitte as the incoming Auditors

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and legal, and related services. With more than 175 years of resolve and commitment to making a real difference, the Deloitte network has grown over the years in scale and diversity to its present size – approximately 457,000 people in 150 countries and territories, providing these services – yet its shared culture remains the same. Deloitte serves four out of five Fortune Global 500® companies. In Singapore, services are provided by Deloitte & Touche LLP and other related entities in Singapore, which are affiliates of Deloitte Southeast Asia Ltd. Deloitte Southeast Asia Ltd is a member of Deloitte Asia Pacific Limited and of the Deloitte network. The audit practice of Deloitte & Touche LLP in Singapore comprises over 900 partners and professional staff. Deloitte & Touche LLP is registered with ACRA. It is one of the largest professional services firms in Singapore today, and has a wide-ranging client base consisting of multinational companies, listed companies, private businesses and public sector organisations.

The audit partner who will be in charge of the audit is Mr Patrick Tan, who is a member of the Institute of Singapore Chartered Accountants, as well as a public accountant registered with ACRA. He was the Southeast Asia Audit & Assurance Transformation Leader from June 2016 to May 2023. Mr Patrick Tan has more than 27 years of experience in providing audit and advisory services to a variety of clients, including various companies listed on the SGX-ST with diverse businesses activities such as investment holding, investments in real estate assets, offshore & marine, education and the public sector. Deloitte & Touche LLP's audit practice is subject to external inspections by ACRA where quality programmes and the performance of public interest entities' audits are inspected, and Mr Patrick Tan passed the ACRA reviews and Deloitte's internal inspections in the year he was selected.

For more information about Deloitte, please visit [www.deloitte.com/about](http://www.deloitte.com/about).

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### 3. RULE 1203(5) OF THE LISTING MANUAL

The appointment of Deloitte will be effective upon obtaining the approval of Unitholders at the AGM for the Proposed Change of Auditors. If approved, Deloitte will hold office until the conclusion of the next AGM of CLAR.

In view of the above, EY will retire and not seek re-appointment as Auditors of CLAR at the AGM, being the end of their current term. The Directors wish to express their appreciation for the past services rendered by EY.

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

- (a) the outgoing Auditors, EY, have confirmed that they are not aware of any professional reasons why the new Auditors, Deloitte, should not accept appointment as Auditors of CLAR;
- (b) the Manager confirms that there were no disagreements with the outgoing Auditors, EY, on accounting treatments within the last 12 months;
- (c) the Manager confirms that, other than as set out above, it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of Unitholders;
- (d) the specific reasons for the Proposed Change of Auditors are disclosed in this Appendix and in the Notice of AGM. The Proposed Change of Auditors is not due to (i) the resignation of EY as Auditors of CLAR, (ii) EY declining to stand for re-appointment, (iii) the dismissal of EY as Auditors of CLAR, or (iv) a direction by the SGX-ST for EY to be replaced under Rule 1405(1)(fb) of the Listing Manual; and
- (e) the Manager confirms that Rule 712 and Rule 715 of the Listing Manual are complied with in relation to the appointment of Deloitte.

### 4. DIRECTORS' RESPONSIBILITY STATEMENT

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 Auditors, CLAR and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information 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 those sources and/or reproduced in this Appendix in its proper form and context.

### 5. DOCUMENT ON DISPLAY

The Trust Deed will be available for inspection at the registered office of the Manager<sup>1</sup> for so long as CLAR is in existence.

Yours faithfully

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

**BEH SWAN GIN**  
Chairman and Non-Executive Independent Director

<sup>1</sup> Prior appointment with the Manager is required. Please contact the Manager via email at [clar@capitaland.com](mailto:clar@capitaland.com).

**IMPORTANT NOTICE**

This Appendix may contain forward-looking statements. 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, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs, property operating expenses), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this Appendix. Neither the Manager nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use of, reliance on or distribution of this Appendix or its contents or otherwise arising in connection with this Appendix.

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

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

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### GLOSSARY

<b>%</b>	: Per centum or Percentage
<b>ACRA</b>	: The Accounting and Corporate Regulatory Authority
<b>AGM</b>	: The annual general meeting of CLAR to be held physically at Big Picture Theatre, Level 9, Capital Tower, 168 Robinson Road, Singapore 068912 and by electronic means on Friday, 26 April 2024 at 3.00 p.m.
<b>Appendix</b>	: This Appendix dated 2 April 2024
<b>ARC</b>	: The audit and risk committee of the Manager
<b>Auditors</b>	: Auditors
<b>CLAR</b>	: CapitaLand Ascendas REIT
<b>Deloitte</b>	: Deloitte & Touche LLP
<b>Directors</b>	: Directors of the Manager
<b>EY</b>	: Ernst & Young LLP
<b>Listing Manual</b>	: The Listing Manual of the SGX-ST
<b>Manager</b>	: CapitaLand Ascendas REIT Management Limited, in its capacity as manager of CLAR
<b>Notice of AGM</b>	: The notice dated 2 April 2024 convening the AGM of CLAR
<b>Ordinary Resolution</b>	: 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
<b>Proposed Change of Auditors</b>	: The proposed appointment of Deloitte as the Auditors of CLAR, to hold office until the conclusion of the next AGM of CLAR, in place of the retiring Auditors of CLAR, EY, and to authorise the Manager to fix their remuneration
<b>Resolution 2</b>	: The proposed Ordinary Resolution 2 under the “Ordinary Business” section of the Notice of AGM
<b>SGX-ST</b>	: Singapore Exchange Securities Trading Limited
<b>Trust Deed</b>	: The trust deed dated 9 October 2002 constituting CLAR, as amended, varied or supplemented from time to time
<b>Unitholders</b>	: The registered holders for the time being of a Unit, including person(s) so registered as joint holders, except where the registered holder is CDP, the term “ <b>Unitholder</b> ” 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

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The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001.

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 Appendix 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 Appendix shall be a reference to Singapore time unless otherwise stated.

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