

**SUNTEC REAL ESTATE INVESTMENT TRUST**  
(Constituted in the Republic of Singapore pursuant  
to a trust deed dated 1 November 2004 (as amended))

Managed by

**ARA TRUST MANAGEMENT (SUNTEC) LIMITED**  
(Company Registration No. 200410976R)  
("Manager")

**MINUTES OF ANNUAL GENERAL MEETING**

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<b>PLACE</b>	:	By Electronic Means
<b>DATE</b>	:	Wednesday, 20 April 2022
<b>TIME</b>	:	2.30 p.m.
<b>PRESENT</b>	:	Unitholders as per attendance records maintained by the Manager
<b>IN ATTENDANCE</b>	:	Directors, management, company secretary, legal adviser & auditors of Manager and representatives from HSBC Institutional Trust Services (Singapore) Limited, Trustee of Suntec Real Estate Investment Trust as per attendance records maintained by the Manager
<b>CHAIRMAN OF THE MEETING</b>	:	Ms Chew Gek Khim

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## INTRODUCTION

Ms Melissa Chow, the manager of Investor Relations of Suntec Real Estate Investment Trust ("**Suntec REIT**"), welcomed the attendees to the Annual General Meeting ("**AGM**") of Suntec REIT and introduced the following attendees who joined the AGM:

- Directors of ARA Trust Management (Suntec) Limited, the Manager of Suntec REIT (the "**Manager**"), save for Mr Jeffery David Perlman, Non-Executive Director, who was unable to attend and extended his apologies;
- Company Secretary to the Manager – Ms Maureen Low ;
- Representatives from HSBC Institutional Trust Services (Singapore) Limited, Trustee of Suntec REIT (the "**Trustee**");
- Representatives from KPMG LLP, the auditors of Suntec REIT;
- Representatives from Allen & Gledhill LLP, the legal adviser to the Manager; and
- Representatives from the management team.

The unitholders of Suntec REIT ("**Unitholders**") were informed that in accordance with the trust deed constituting Suntec REIT, the Trustee had nominated Ms Chew Gek Khim to preside as the Chairman of the AGM ("**Chairman**").

Unitholders were reminded that, as stated in the Notice of AGM, there would be a “live” question and answer session via the online chat box function, and that voting for all resolutions would be conducted “live” and that Unitholders could vote at the AGM using the real-time remote electronic voting system.

Ms Melissa Chow informed Unitholders that the detailed responses to the substantial and relevant questions received from Unitholders and Securities Investors Association (Singapore) related to the resolutions tabled at the AGM had been published on the corporate website and via SGXNet prior to the AGM.

A video presentation introducing the functions of real-time remote voting system and questions posting was showed to Unitholders.

Ms Melissa Chow then informed Unitholders that the online chat box was opened, and Unitholders were invited to post questions relevant to the AGM into the chat box and the questions would be addressed at each resolution. She also informed that the “live” voting was opened, Unitholders might cast their votes anytime during the course of the AGM and that the voting would remain open until all of the proposed resolutions tabled for approval at the AGM had been properly moved.

She then invited Mr Chong Kee Hiong, the Chief Executive Officer (“**CEO**”) of the Manager, to give his presentation.

#### **PRESENTATION BY CEO**

The CEO gave a presentation on Suntec REIT’s performance for the financial year ended 31 December 2021 (“**FY2021**”), distribution income to unitholders, portfolio performance and an overall outlook of the business.

A copy of the CEO’s presentation slides would be uploaded onto Suntec REIT’s website and SGXNet after the AGM.

Ms Melissa Chow thanked the CEO for the presentation and handed over the conduct of the proceedings to the Chairman.

#### **QUORUM**

The Chairman acknowledged the Unitholders’ presence electronically at the AGM via webcast and informed that their status had been verified by the Unit Registrar.

As a quorum was present, the Chairman declared the meeting open.

#### **NOTICE**

The Annual Report and the Notice of AGM convening the meeting dated 29 March 2022 were taken as read.

## **CONDUCT OF THE VOTING**

Unitholders were informed that the resolutions put to the vote at the AGM would be conducted by poll.

The Chairman also informed Unitholders that, in her capacity as Chairman of the AGM, she had been appointed as a proxy by a number of Unitholders and she would vote in accordance with the specific instructions of those Unitholders.

She further informed that RHT Governance, Risk & Compliance (Singapore) Pte. Ltd. was appointed as Scrutineer and that Boardroom Corporate & Advisory Services Pte. Ltd. was appointed as polling agent for the AGM. The validity of the proxies submitted by the Unitholders before the submission deadline of 2.30 p.m. on 18 April 2022 had been reviewed and the votes of all such valid proxies had been counted and verified. Unitholders were also informed that the votes of Unitholders who participated in the webcast would also be taken into account and the tabulated poll results would be announced after the passing of all the motions.

## **ORDINARY BUSINESS:**

### **ORDINARY RESOLUTION 1 – REPORT OF THE TRUSTEE, STATEMENT BY THE MANAGER AND AUDITED FINANCIAL STATEMENTS OF SUNTEC REIT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 AND TOGETHER WITH THE AUDITORS' REPORT THEREON**

The Chairman proceeded to table Resolution 1 to be adopted by Unitholders, which was to receive and adopt the Report of the Trustee, the Statement by the Manager and the Audited Financial Statements of Suntec REIT for FY2021, together with the Auditors' Report thereon. The full text of the resolution was set out under item 1 of the Notice of AGM.

The CEO then took over the proceedings from the Chairman and addressed some of the substantial and relevant questions that were raised by Unitholders prior to the AGM pertaining to Resolution 1.

**1) The first question was in relation to whether there were significant risks that came with office tenants downsizing and reducing their office space, given the work from home trend.**

The CEO acknowledged that some financial institutions in One Raffles Quay and the MBFC properties have expressed that they wished to right-size. For example, Standard Chartered Singapore, which had officially announced that they would return some spaces occupied upon expiry towards the end of 2022. However, notwithstanding this, many of such returned spaces would be expected to be readily leased out to other tenants, in view of the limited supply in the market. For the MBFC properties, more than half of the spaces due for expiry in 2022 had already been committed. The CEO informed Unitholders that in 2021, downsizing requirements were outweighed by the other tenants' desire to expand their office space and as such, he believes that Suntec REIT's office portfolio would remain very resilient in 2022.

**2) The second question was on what management's view was on interest rates going forward, and whether there were any plans to reduce the gearing.**

The CEO responded that the consensus view was that interest rates are on an upward trend. However, the outlook remained uncertain given the volatile geo-political situation. The CEO also explained that while an increase in interest rate would affect distributions, it would usually be accompanied by an improved economic recovery which would in turn lead to higher rental income. The CEO stated that the Manager would strike a balance between fixed and floating interest rates, and that at the moment, fixed and hedged interest rate amounted to about 53% of total interest on

loans. Gearing is currently at 43.7%, which would be monitored closely. The Manager also monitors the interest cover to ensure they have sufficient headroom. The Manager would continue to look into capital management and portfolio management including potential divestment of assets.

**3) The third question was on whether Suntec REIT had any expansion plans.**

The CEO responded that Suntec REIT's portfolio is still Singapore-centric, with 71% of their assets in Singapore, 17% of their assets in Australia, and 12% of their assets in the United Kingdom. The CEO further informed that over the next few years, they expect the proportion of assets that are overseas to be in a range of 30-40%. All in all, Suntec REIT does not grow for the sake of growing, and the Manager would continue to source for Distribution Per Unit ("DPU") accretive opportunities to deliver long-term returns to Unitholders.

**4) The fourth question was on the impact of the acquisition of ARA Asset Management Limited (the shareholder of the Manager) by ESR Cayman Limited ("ESR"), and how this acquisition can affect and/or help Suntec REIT.**

The CEO responded that Suntec REIT is the largest listed REIT within the ESR portfolio, and that ESR had stated that it is committed to the long-term growth of all its managed REITs, including Suntec REIT. As such, Suntec REIT would be able to harness the strength of this bigger group, leverage on the group network and access to capital and strategic partners, and work on potential opportunities from there. Notwithstanding this, the CEO expressed that the Manager would continue to improve the resilience of their properties, strengthen their balance sheet through active capital and portfolio management, and enhance income stability by sourcing good quality and accretive assets.

The CEO then addressed questions which received via the online chat box during the AGM.

**5) The fifth question was on what Suntec REIT's Net Property Income ("NPI") yield yardstick was, and whether overseas investments would bring about higher risks to investors due to forex and geographical risks.**

The CEO responded that one of the first criteria which the Manager looks at in the acquisition of an asset was that it had to be DPU accretive over the weighted average funding cost. The asset also had to be of good quality, well-located within the city (e.g. easily accessible via public transport), and the asset is located in key international gateway city. For instance, the London assets are located in West End and the City of London. The Manager also looks at the project's Internal Rate of Return, which gives them a longer-term view over how good the project will be – as such, there is no fixed NPI yield yardstick and it varies depending on the country and the funding cost at the time of the acquisition. Further, the Manager also actively manages the exchange risk by hedging part of the portfolio and the income. While it is true that there will be some risk, the returns are also risk-adjusted.

**6) The sixth question is on how the Board of Directors views Suntec REIT's financial performance, especially on rental and occupancy, compared to Marina Bay Sands (although the shops may be different).**

The CEO responded that Suntec REIT's two retail malls are not comparable to Marina Bay Sands in terms of rent. First, Marina Bay Sands focuses on high-end luxury brands while Suntec REIT's retail malls focus on mass market brands. Second, Marina Bay Sands mainly relies on tourists, conventions and footfall from the casino, while Suntec REIT's two retail malls specifically Suntec City Mall focuses on office crowd and tourists staying in the surrounding area, as well as the crowd from the convention centre. The CEO stated that Suntec City Mall's occupancy remains high at 95% and the footfall has returned to 67% of the 2019 footfall, despite only 30% of office workers returning to the office. Suntec City Mall's pre-pandemic footfall was highly dependent on the office

crowd, tourists and convention business. On weekends, while the office crowd is not as large as on weekdays, the malls see additional crowd from the convention centre – for instance, the church groups which use the convention centre on weekends. Hence, Suntec REIT's malls do see high traffic flow on both weekdays and weekends. In short, Marina Bay Sands is not comparable with Suntec REIT's two retail malls as the positioning of the two is different.

After addressing the questions, the CEO handed the proceedings back to the Chairman.

There was a further question on what the cost of the AGM was, which the Chairman responded that the Board and the Manager were not at liberty to disclose, but it did cost less than a physical AGM. The Chairman then expressed that she looks forward to seeing Unitholders next year in person.

The Chairman then proposed Resolution 1 and put the motion to a vote. The electronic poll voting was then conducted, and the Chairman casted her votes in accordance with the voting instructions received.

#### **ORDINARY RESOLUTION 2 – RE-APPOINTMENT OF AUDITORS OF SUNTEC REIT AND AUTHORISATION OF THE MANAGER TO FIX THEIR REMUNERATION**

The Chairman proceeded to table Resolution 2 to be adopted by Unitholders, which was to re-appoint the Auditors of Suntec REIT and to authorise the Manager to fix their remuneration. The retiring Auditors, KPMG LLP, had expressed their willingness to continue in office. The full text of the resolution was set out under item 2 of the Notice of AGM.

The CEO then took over the proceedings from the Chairman and addressed a substantial and relevant question pertaining to Resolution 2.

#### **The question was on why audit fees increased by more than 35% in FY2021.**

The CEO responded that the increase in audit fees was due to the increase in the number of entities and the number of properties acquired since December 2020. Suntec REIT had acquired about close to S\$2 billion worth of assets since December 2020 and the number of entities had increased by more than 10, and therefore the audit fees had correspondingly increased.

As there was no further question received, the CEO handed the proceedings back to the Chairman.

The Chairman then proposed Resolution 2 and put the motion to a vote. The electronic poll voting was then conducted, and the Chairman casted her votes in accordance with the voting instructions received.

#### **SPECIAL BUSINESS:**

#### **ORDINARY RESOLUTION 3 – GENERAL MANDATE FOR THE ISSUE OF NEW UNITS AND/OR CONVERTIBLE SECURITIES**

The Chairman proceeded to table Resolution 3 to be adopted by Unitholders, which was to authorise the Manager to issue new Units in Suntec REIT and to make or grant convertible instruments pursuant to the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited. The full text of the resolution was set out under item 3 of the Notice of AGM.

There were no questions raised pertaining to Resolution 3.

The Chairman then proposed Resolution 3 and put the motion to a vote. The electronic poll voting was

then conducted, and the Chairman casted her votes in accordance with the voting instructions received.

#### **ORDINARY RESOLUTION 4 – GENERAL MANDATE FOR UNIT BUY-BACK**

The Chairman proceeded to table Resolution 4 to be adopted by Unitholders, which deals with the renewal of the unit buy-back mandate to be given to the Manager to repurchase issued Units for and on behalf of Suntec REIT up to the maximum limit of 2.5% of the total number of issued units as at the date of the passing of the resolution. The full text of the resolution was set out under item 4 of the Notice of AGM, and more details are further described in the Appendix to the Notice of AGM.

There were no questions raised pertaining to Resolution 4.

The Chairman then proposed Resolution 4 and put the motion to a vote. The electronic poll voting was then conducted, and the Chairman casted her votes in accordance with the voting instructions received.

#### **OTHER BUSINESS**

No notice of any other business was received by the company secretary.

#### **POLL VOTING**

The Chairman reminded Unitholders to cast their votes within the next one minute before the closure of voting. Voting closed after the one-minute period.

The poll results were as follows:

	<b>For</b>	<b>%</b>	<b>Against</b>	<b>%</b>
<b>Resolution 1</b>	1,704,113,870	98.70%	22,376,953	1.30%
<b>Resolution 2</b>	1,231,615,291	71.35%	494,447,232	28.65%
<b>Resolution 3</b>	952,236,126	55.12%	775,215,796	44.88%
<b>Resolution 4</b>	1,711,705,734	99.09%	15,696,489	0.91%

Based on the votes received, the Chairman declared all of the above resolutions carried.

#### **CONCLUSION**

The Chairman declared the AGM closed at 3.19 p.m. and thanked everyone for their attendance.

Confirmed as True Record of Proceedings held

Chew Gek Khim  
Chairman of the Meeting