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REIT: CapitaLand Ascendas REIT
(Manager: CapitaLand Ascendas REIT Management Limited)

Stock code: A17U

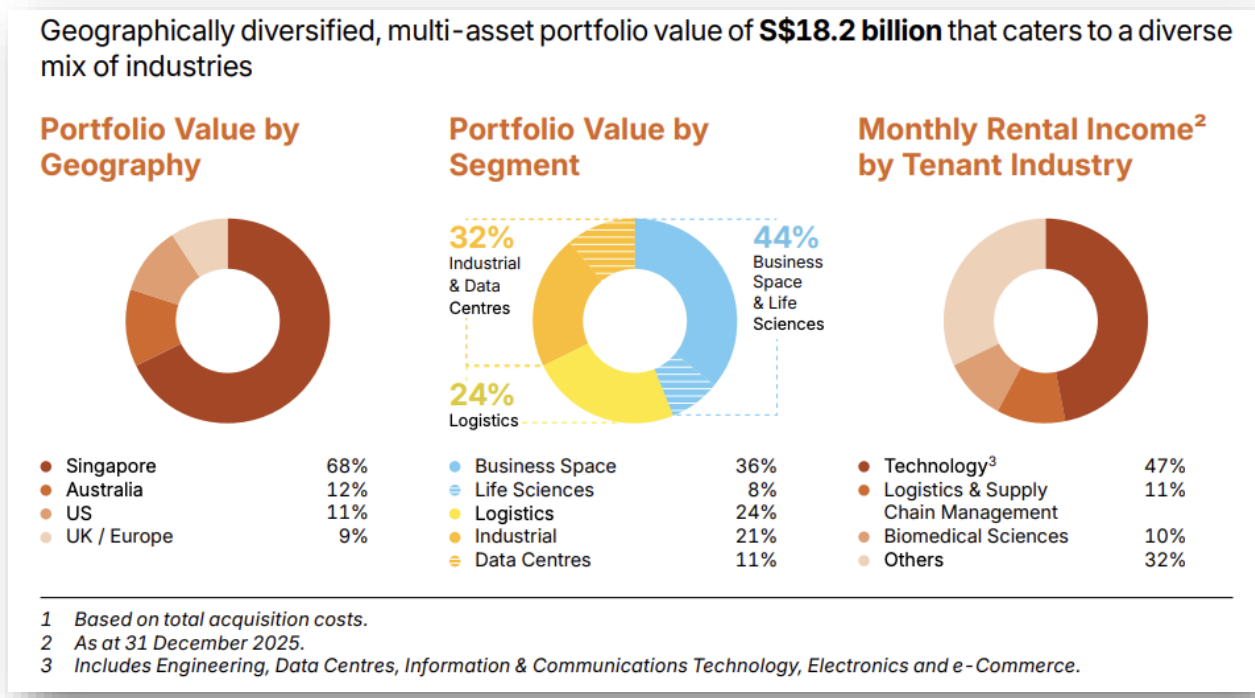
Meeting details:

Date: 24 April 2026

Time: 3.00 p.m.

Venue: Marina Bay Sands Expo and Convention Centre, Level 3, Hibiscus Ballroom, 10 Bayfront Avenue, Singapore 018956

Q1. Approximately one-third of the REIT’s \$18.2 billion is located outside Singapore, with 12% in Australia, 11% in the United States and 9% in Europe. The portfolio is diversified across asset classes, with business space and life sciences accounting for about 44% of assets (by value), and logistics, industrial and data centres contributing 24%, 21% and 11% respectively.



(Source: annual report 2025)

- (i) Can the board articulate a clear portfolio construction framework that defines the target geographic mix, including return thresholds, risk limits and diversification objectives? How frequently is this framework reviewed and adjusted in response to changing market conditions?
- (ii) Are there any strategic rebalancing being contemplated with respect to asset classes, potentially favouring higher-growth segments such as data centres?
- (iii) How does the board reconcile the expansion into high-density data centres, including those supporting artificial intelligence workloads, with its decarbonisation commitments¹?

¹ There was a spike in scope 1 emission in Europe due to inclusion of refrigerant data in FY2024. The increase was largely attributed to the full year consumption in FY 2024 from properties acquired in FY 2023 and inclusion of refrigerant data in scope 1 calculations.

Q2. Portfolio occupancy declined to 90.9% as at 31 December 2025, continuing a four-year downward trend from 94.6% in FY2022. Portfolio occupancy rate for the past 5 years is shown below:

FY2021 – 93.2%
 FY2022 – 94.6%
 FY2023 – 94.2%
 FY2024 – 92.8%
 FY2025 – 90.9%

Despite this, the manager has characterised occupancy as “healthy” and highlighted a positive rental reversion of 12% for renewed leases during the year.

- (i) How does the board assess this trend, and to what extent does it reflect cyclical factors versus structural challenges within specific assets or segments?**
- (ii) In light of the declining occupancy, how is management prioritising leasing execution and asset stabilisation alongside pursuing a \$1.4 billion acquisition²? What safeguards are in place to ensure that new assets and acquisitions do not dilute management focus on existing portfolio performance?**

The sustained decline is most evident in the US portfolio, where occupancy fell from 90.4% to 83.5% on a same-store basis. The US business space and life sciences property portfolio has suffered a valuation loss of US\$436 million, based on the current valuation of \$1.57 billion versus \$2.01 billion in costs.

- (iii) Can the manager share on its views on the US market, particularly the attractiveness of the REIT’s US properties and their respective sub-markets? To what extent were these properties acquired based on low-cost financing (positive spread at the point of acquisition) versus underlying growth potential and income resilience?**

Q3. A comparison of FY2021 and FY2025 (pages 2 and 3 of the annual report) highlights a divergence between portfolio growth and unitholder outcomes.

	Observation
Gross revenue	\$1.23 billion versus \$1.54 billion, higher by 25%
Net property income	\$0.92 billion versus \$1.07 billion, higher by 16%
Total assets	\$17.7 billion versus \$19.8 billion, higher by 12%
Total borrowings	\$6.14 billion vs 7.56 billion, higher by 23%

² <https://links.sgx.com/1.0.0/corporate-announcements/VZNEUCWBO5YV2TBH/f35ac31d3e6e1d00d4661452b8e63f0919dfc535bd7d70318cb26218e10ad63e>

Total amount available for distribution	\$630.0 million versus \$678.3 million, higher by 8%
Distribution per unit	15.258 cents versus 15.005 cents, lower by 2%
Net asset value per unit	\$2.38 versus \$2.29, lower by lower by 4%
Aggregate leverage	35.9% versus 39.0%, higher by 3.1 percentage points

- (i) How does the board reconcile the 12% expansion in the asset base with the simultaneous 2% contraction in DPU and 4% erosion of NAV per unit? While the REIT is objectively larger, has the board assessed whether this growth has been fundamentally beneficial for long-term unitholders?**

Management has consistently categorised previous acquisitions as DPU-accretive at the point of announcement.

- (ii) Given the actual decline in DPU since 2021, could the manager provide a waterfall/bridge analysis identifying the specific factors (such as fees, transaction costs) that neutralised these expected gains? To what extent has the growth in management fees, which are tied to asset value, outpaced the growth in distributable income?**

The manager has just announced a \$1.4 billion acquisition³, which includes approximately \$101.8 million in acquisition fees payable to the manager.

- (iii) How did the independent directors evaluate and challenge this transaction, particularly in assessing its strategic rationale, pricing and impact on unitholder returns? What specific considerations led to the conclusion that the acquisition is in the best interests of unitholders?**
- (iv) How does the manager justify the level of acquisition fees in the context of the transaction's expected returns? How does the board ensure that the fee structure remains aligned with unitholder value creation?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

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³ <https://links.sgx.com/1.0.0/corporate-announcements/VZNEUCWBO5YV2TBH/f35ac31d3e6e1d00d4661452b8e63f0919dfc535bd7d70318cb26218e10ad63e>



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