

## KEPPEL PACIFIC OAK US REIT

**MINUTES OF THE ANNUAL GENERAL MEETING (“AGM”) OF THE UNITHOLDERS OF KEPPEL PACIFIC OAK US REIT (“KORE” OR “REIT”) HELD AT SUNTEC SINGAPORE CONVENTION AND EXHIBITION CENTRE, NICOLL 2-3, LEVEL 3, 1 RAFFLES BOULEVARD, SUNTEC CITY, SINGAPORE 039593 ON WEDNESDAY, 17 APRIL 2024 AT 3.00 P.M.**

### **PRESENT**

Mr Peter McMillan III	Chairman of the Board (“Chairman”)
Mr David Snyder	Chief Executive Officer (“CEO”)
Mr Soong Hee Sang	Lead Independent Director
Mr Kenneth Tan Jhu Hwa	Independent Director
Ms Sharon Wortmann	Independent Director
Mr Lawrence David Sperling	Independent Director
Ms Bridget Lee	Non-Executive Director
Mr Darren Tan	Company Secretary

### **IN ATTENDANCE**

As per attendance lists.

#### **1. OPENING**

- 1.1 The emcee for the AGM, Ms Lilian Goh, extended a warm welcome to all Unitholders and attendees present.
- 1.2 A fire safety briefing of Suntec Singapore Convention and Exhibition Centre was provided to the meeting.
- 1.3 The emcee then proceeded to introduce the board of directors (“Board”), chief executive officer (“CEO”) and company secretary of Keppel Pacific Oak US REIT Management Pte. Ltd., the manager of KORE (the “Manager”).
- 1.4 CEO presented a video on the properties.
- 1.5 CEO gave a presentation on KORE’s portfolio performance update for 2023 and the first quarter of 2024. A copy of the presentation slides is available on KORE’s corporate website.
- 1.6 As there was a quorum, the Chairman called the AGM to order.
- 1.7 The Notice of the AGM, the appendix thereto, KORE’s annual report (“Annual Report”) containing the Report of Perpetual (Asia) Limited, as trustee of KORE (the “Trustee”), the Statement by the Manager, the Audited Financial Statements of KORE for the year ended 31st December 2023 and the Auditor’s Report thereon were noted as circulated to Unitholders prior to the meeting and were taken as read.

- 1.8 The Chairman informed the meeting that voting on each of the resolutions put to the meeting would be done by way of a poll and that polling would be conducted electronically using a voting handset. He then invited the scrutineers, RHT Governance, Risk & Compliance (Singapore) Pte. Ltd., to bring the meeting through the poll voting process.

## **AS ORDINARY BUSINESS**

### **2. ORDINARY RESOLUTION 1: TO RECEIVE AND ADOPT THE TRUSTEE'S REPORT, THE MANAGER'S STATEMENT, THE AUDITED FINANCIAL STATEMENTS OF KORE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE AUDITOR'S REPORT THEREON**

- 2.1 The Chairman invited questions from Unitholders on Resolution 1.
- 2.2 MPS, a Unitholder, noted that Unitholders seem to bear the brunt of the difficulties faced by the REIT through the suspension of distributions, and commented that in the previous quarter prior to the suspension announcement, the metrics looked fine. Accordingly, there appeared to have been no warning signs that KORE would suspend distributions. He added that some warning could have been given by KORE by first reducing only a part of the distributions. BSS, a Unitholder, concurred, and commented that paying out some distributions could have had a signalling effect to Unitholders.
- 2.3 Chairman assured Unitholders that this was not an easy decision for the Board to take. He updated that the Board had met twice at the beginning of the year to deliberate on the results for financial year 2023, and the outlook for financial year 2024, including looking closely at cashflow and capital expenditure ("Capex") projections, and had asked the Manager to provide more information and considered all possible options, before concurring with the recommendation to suspend distributions. While Unitholders are adversely affected in the short run, the Board believes this is the best option for KORE, and in turn Unitholders, in the long run.
- 2.4 CEO explained that KORE is performing well operationally, with strong net property incomes ("NPIs"), and occupancy rates at about 90 per cent. However, the REIT is in a credit crunch at present, with banks unwilling to provide additional funding as KORE approaches a leverage of 45 per cent due mainly to the year end properties' revaluation losses as well as general negative sentiments on the United States ("US") Real Estate market.
- 2.5 On the decision to suspend distributions, CEO added that pursuant to the trust deed dated 22 September 2017 (as amended) constituting Keppel Pacific Oak US REIT (the "Trust Deed"), KORE is not permitted to distribute below 90 per cent of its distributable income, unless circumstances make it not practical to do so. He further highlighted that paragraph 7.3 of Appendix 6 to the Code on Collective Investment Schemes ("Property Funds Appendix") states that if "*the manager declares a distribution that is in excess of profits, the manager should certify, in consultation with the trustee, that it is satisfied on reasonable grounds that, immediately after making the distribution, the property fund will be able to fulfil, from the deposited property of the property fund, the liabilities of the property fund as they fall due*". Given that KORE is in a net accounting loss position due to the revaluation losses, and with about US\$75 million of loans maturing in 2024 with a lack of certainty as to whether these loans can be refinanced, it would be

hard to certify that after paying any distribution, KORE would still be able to fulfil its liabilities due in the next 12 months. Hence, the only option open to KORE is to suspend distributions. CEO emphasised that the Manager determined this was the only option available to KORE after a very deliberative process. Chairman concurred.

- 2.6 MPS further noted that the team had emphasised that investments into Capex was vital to make such spaces attractive to tenants in the US, and questioned how this is different from past years, since KORE had been able to pay for its Capex in the past.
- 2.7 Chairman explained that the Board and Manager concurred that the investments in Capex are necessary to bring occupancy numbers up, and assured Unitholders that the Board would look closely into cashflow and capital expenditure projections, moving forward.
- 2.8 CEO elaborated that KORE funded its Capex through bank financing in the past and when KORE acquired assets and was able to raise equity in the past, KORE raised additional equity to reduce the leverage level. Banks are currently less willing to provide financing, partly due to the general negative sentiments on the US Real Estate market. This puts the REIT in a different position than it was in the past. CEO explained that KORE had explored equity fund raising (EFR) with several banks, but the banks were not convinced that KORE would be able to raise a sufficient amount in the current market environment to meet its capital needs, and were therefore unwilling to underwrite the issue. CEO further explained that KORE also explored a sale of assets, however, it is currently not a transactional market in the US. He added that any asset on the market currently would be transacting at an enormous discount to its actual value. Hence, suspending distributions was the only viable option after due consideration. CEO reiterated that this decision was taken very seriously by the Board and the Manager.
- 2.9 MPS then asked how KORE arrived at the conclusion that it would likely be able to resume distributions by 2026.
- 2.10 CEO explained that KORE had analysed including the expiry profile of KORE's portfolio for 2024 and 2025 and expected significant amount of known vacates which will take time to release those spaces. By 2026, KORE is projecting a lot less vacates in the portfolio, which will put KORE in a better position, if it can continue to maintain its strong occupancy rate and NPI. CEO also expressed his belief that the US market will see more transactions by late 2025 or 2026, which will allow KORE to sell some assets at full value. During this time that the distributions are suspended, KORE would be able to lower its leverage over 2024 and 2025 while still being able to continue to invest in the portfolio. He expects that this lower leverage level would make the banks more willing to provide financing for KORE. Taking the above into account, CEO remarked that this should put KORE in a position to resume distributions by 2026.
- 2.11 MPS further queried if the Manager had taken belt tightening measures to conserve liquidity for KORE, other than suspending distributions. LKM, a Unitholder, concurred and noted that it is important for KORE to adopt belt tightening measures.
- 2.12 Chairman acknowledged this, and commented that he understands investors invest in REITs for the distributions. He shared that both the Board and Manager receive part of their compensation

in Units, and accordingly, shares the pain that Unitholders feel. CEO concurred, and added that a significant portion of his compensation is paid in Units.

- 2.13 On belt tightening measures, Chairman reiterated that the Board had considered all possible options, but none were viable. On reduction of management fee as a belt tightening measure, he explained that the fee is to compensate the Manager, to allow the properties to be managed at the same level as they have been managed. CEO concurred, and added that reducing the management fee may lead to KORE losing people who are critical to its operations.
- 2.14 MPS clarified if the management fee is paid in cash. Chairman replied in the affirmative.
- 2.15 PJS, a Unitholder, supported the suspension of distributions, and expressed his view that KORE had no other option. He highlighted that the REIT's current assets is less than its current liabilities. Of the current liabilities, US\$75 million is due for repayment in the fourth quarter of 2024. PJS highlighted that refinancing of the debt is KORE's biggest concern now, and the situation for the REIT would be even more critical as the year progresses.
- 2.16 Chairman expressed his appreciation to PJS, and agreed with his assessment that debt is the REIT's biggest concern at the moment. He commented that in the Board meetings held in January and April, the Board and the Manager's key focus was on refinancing KORE's loans. To that end, the Board was of the view that suspension of distributions was one way to demonstrate to the banks that KORE is doing everything in its capacity to increase liquidity.
- 2.17 CEO added the liabilities included KORE's upcoming debt maturities in the next 12 months of US\$75 million. He assured Unitholders that KORE is actively in discussions with the bank lenders for refinancing of the loans maturing in 2024 and 2025, while also discussing with potential new lenders.
- 2.18 BSS queried on the outlook of office occupancy in the next year, especially for Seattle.
- 2.19 CEO explained that while generally US office average physical occupancy rate is still at a relatively low 50 per cent, this rate has not fallen in over a year. Because of the markets that KORE operates in, KORE's portfolio average physical occupancy rate has increased to slightly over 68 per cent which is equivalent to about 3.5 days a week in the office. In terms of concessions given to tenants, in the gateway markets, landlords have given away more free rent and more tenant improvements. This is however not the case for KORE. In the case of the Bellevue/Redmond assets, CEO clarified that KORE generally provided only 0.5 months of free rent per year of lease. For tenant improvements, KORE is still building to the same standards as per pre-covid. However, due to inflation, costs have generally increased by about over 20 percent over the past few years. For Bellevue/Redmond (Seattle), CEO commented that the market is strong as these are home bases to many tech companies such as Google, Amazon, and Microsoft. He acknowledges that it is a challenge for KORE's asset in Bellevue CBD, with 48 per cent tenancy expiring in this year, and 14 per cent next year. He updated that for the maturities in 2024, a significant portion of the known vacates will be in the fourth quarter for the Plaza Buildings, and KORE expects a six to nine month down time for most of these spaces. He commented that most of these spaces are spaces with high end finishes, and therefore, will be attractive to new tenants.

It is therefore a matter of finding the right-size tenants. For the full floor spaces, the team intends to turn some of these into multi-tenanted floors. He updated Unitholders that KORE had started to build spec suites at the Plaza Buildings, as KORE's experience has been that when Capex is spent upfront to furnish the spaces, far less is spent later to turn these spaces around for the next tenant, translating into cost savings in the long term. In addition, having spec suites will ensure shorter lead time before the spaces start generating cash rental income. He noted however, that most of this planned leasing will happen only in 2025 due to the timing of the vacates in 4Q 2024.

- 2.20 TY, a Unitholder, expressed his view that the work-from-home ("WFH") trend will continue. He questioned the viability of KORE as an office REIT. He commented that KORE does not seem to have a plan to counter this trend.
- 2.21 Chairman commented that while it is hard to predict, his view is that the worst of the WFH situation is over, and many large companies will push for their employees to return to office. He acknowledged that recovery is slower than expected, and the US office rental market remains a tough one, due to the aftermath of the pandemic, the WFH situation and high interest rates. However, he explained that KORE selects the markets to enter very carefully, with zero or low-income tax states being an important focus, as these are where there will be growth. There has been a trend of residents moving from states like California, New York and New Jersey to zero or low-income tax states such as Florida, Texas and Tennessee. Chairman further remarked that the WFH situation is most severe in gateway cities, where commutes to work are long. In the markets that KORE is in, such long commutes are not an issue. Importantly, KORE does not have exposure in markets where the WFH situation is most prevalent, accounting for its ability to maintain higher occupancy rates. He explained that the majority of the US workforce may end up working three to four days a week on average in the office, which means that employers will still require a certain amount of office space. He further pointed out that high-tech companies, which forms a big part of KORE's tenants, have leased record amounts of space during and post pandemic, as they will ultimately want their staff to be back in the office. He highlighted that the balance of power has shifted dramatically, and it is an employers' market now in the US at the moment, with the exception of government employees, who are the only major group in the US not subject to pressures to return to the office. Accordingly, CEO concluded that the WFH situation is not a significant issue of concern to KORE.
- 2.22 BSS questioned whether KORE is spending too much on Capex.
- 2.23 Chairman explained that the team had discussed the Capex projections at length during its budget meetings, and have only kept what is absolutely essential. CEO elaborated that as set out in his presentation, the expenditure was necessary to build what the portfolio needs to secure good leasing rates and strong NPI.
- 2.24 BSS further asked if KORE could consider a share buyback moving forward. CEO explained that buybacks reduce equity and increase leverage, and accordingly, is not an option for KORE currently, as taking a bank loan to fund share buybacks (assuming banks were willing to provide them) would increase KORE's leverage, causing KORE to be nearer to regulatory limits. CEO added that once KORE is able to sell an asset, a few options will become available, including paying down its debt, conducting share buybacks, and buying other assets.

- 2.25 BSS noted that the Manager is entitled to receive as its performance fee, a fee equal to a rate of 25 per cent per annum of the difference in distributions per unit (“DPU”) in a financial year with the DPU in the preceding financial year multiplied by the weighted average number of units in issue for such financial year, and asked if the Manager would be waiving its performance fee when KORE restarts distributions.
- 2.26 CEO commented that when KORE restarts distributions, the Manager will make recommendations to the Board to avoid a situation that would allow the Manager to enjoy a ‘windfall’ performance fee.
- 2.27 LKPD, a Unitholder, thanked the Board and Manager for the hard work to take Unitholders through these challenging times. He asked if there were additional metrics that Unitholders can look out for to ascertain if the recapitalisation plan is on track.
- 2.28 CEO responded that Unitholders can look out for announcements about refinancing, and added that KORE is targeting to be in a position to update Unitholders by its business updates in July. Additionally, CEO added that Unitholders can look at whether occupancy rates can be maintained. CEO indicated that KORE’s targets is to achieve 88 per cent occupancy rates at end 2024, and added that he believes this a tough but achievable target. CEO further commented that Unitholders can also monitor KORE’s NPI. On a year-on-year basis, KORE does not expect a significant drop in NPI.
- 2.29 LKPD also asked if the Manager can share more on rental delinquencies. CEO responded that this has not been an issue for the REIT, even through the pandemic years.
- 2.30 LKM asked whether the worst is yet to come for KORE, with the upcoming US\$75 million of loan maturing at the end of this year.
- 2.31 Chairman acknowledged this, and reiterated that despite the fact that the REIT had maintained strong occupancy rates and had a record year of generating income at the property level, it is a tough environment for the US office market. There is also a general sense of caution that in this environment, the team should build up liquidity and be more conservative. Other than the WFH situation discussed earlier, it is also a very conservative lending environment, not just for KORE, but also for any potential buyers of office assets in the US.
- 2.32 HH, a Unitholder, queried if distributions can be made through the issuance of new Units. He noted that this would give a positive signal to the market.
- 2.33 CEO commented that, the issuance of more Units is akin to a stock split, which would result in more Units in the hands of Unitholders, and if Unitholders disposed of the Units, this would put more downward pressure on the stock, and eventually drive the price further down. He concluded that this would be detrimental for Unitholders who do want to hold on to the Units. Accordingly, CEO commented that this option does not create any value for Unitholders, and would in fact, on an overall basis be to Unitholders’ detriment.

- 2.34 CAP, a Unitholder, noted that the valuation of KORE's portfolio is low, and queried if there was any way to bring valuation up.
- 2.35 Chairman commented that with strong occupancy rates, KORE performed well at the property level but its valuations dropped because of the higher interest rates, resulting in higher discount rates for cash flow and high capitalisation rates, accounting for the lower valuation. With respect to Ironpoint, CEO added that the key reason for the loss in 2023 was due to the significant known vacancies.
- 2.36 CAP further commented on the high cost of financing, to which Chairman responded that when debt matures, higher financing costs from the refinancing are to be expected.
- 2.37 As there were no further questions on Resolution 1, Chairman proposed that the Report of the Trustee, the Statement by the Manager and the Audited Financial Statements of KORE for the financial year ended 31 December 2023 and the Auditor's Report thereon, be received and adopted.

Votes FOR the resolution: 300,631,060 votes or 97.30 per cent.
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Votes AGAINST the resolution: 8,341,974 votes or 2.70 per cent.
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The Chairman declared the resolution carried.

**It was resolved as an Ordinary Resolution that** the Report of the Trustee, the Statement by the Manager and the Audited Financial Statements of KORE for the financial year ended 31 December 2023 and the Auditor's Report thereon, was received and adopted.

3. **ORDINARY RESOLUTION 2: TO RE-APPOINT MESSRS ERNST & YOUNG LLP AS THE AUDITOR OF KORE, AND TO AUTHORISE THE MANAGER TO FIX THE AUDITOR'S REMUNERATION**

- 3.1 The second item of the agenda was an Ordinary Resolution to deal with the re-appointment of Messrs Ernst & Young LLP as the auditor of KORE to hold office until the conclusion of the next AGM of KORE, and to authorise the Manager to fix their remuneration.
- 3.2 The Chairman invited Unitholders to raise questions on Ordinary Resolution 2, and LAH, a Unitholder, commented that the Manager should negotiate with Messrs Ernst & Young LLP to help the REIT, and expressed his view that in this time, there should not be any fee increases at all.
- 3.3 CEO noted this, and commented that the fee increase (if any) has been minimal. In this respect, the auditors have worked hard with KORE.
- 3.4 As there were no further questions on Ordinary Resolution 2, the Chairman proposed that Messrs Ernst & Young LLP be re-appointed as the auditor of KORE to hold office until the conclusion of the next AGM of KORE, and the Manager be authorised to fix their remuneration.

Votes FOR the resolution: 299,045,585 votes or 96.94 per cent.

Votes AGAINST the resolution: 9,440,549 votes or 3.06 per cent.

The Chairman declared the resolution carried.

**It was resolved as an Ordinary Resolution that** Messrs Ernst & Young LLP be re-appointed as the auditor of KORE to hold office until the conclusion of the next AGM of KORE, and the Manager was authorised to fix their remuneration.

4. **ORDINARY RESOLUTION 3: TO ENDORSE THE APPOINTMENT OF MS SHARON RILEY WORTMANN AS DIRECTOR**

4.1 The next item of the agenda was an Ordinary Resolution to endorse the appointment of Ms Sharon Riley Wortmann as director of the Manager pursuant to an undertaking provided by Keppel Capital Holdings Pte. Ltd. ("Keppel Capital") and KORE Pacific Advisors Pte. Ltd. ("KOREPA") to the Trustee on March 2022.

4.2 As there were no questions on Ordinary Resolution 3, the Chairman proposed that the resolution be put to the vote.

Votes FOR the resolution: 299,693,135 votes or 97.13 per cent.

Votes AGAINST the resolution: 8,847,244 votes or 2.87 per cent.

The Chairman declared the resolution carried.

**It was resolved as an Ordinary Resolution that** the appointment of Ms Sharon Riley Wortmann as a director of the Manager, be endorsed.

5. **ORDINARY RESOLUTION 4: TO ENDORSE THE APPOINTMENT OF MS BRIDGET LEE SIOU PEI AS DIRECTOR**

5.1 The next item of the agenda was an Ordinary Resolution to endorse the appointment of Ms Bridget Lee Siow Pei as director of the Manager pursuant to the undertaking provided by Keppel Capital and KOREPA to the Trustee on March 2022.

5.2 The Chairman invited Unitholders to raise questions on Resolution 4 and CAP sought clarification on how many independent directors are on the Board. Chairman clarified that other than himself and Ms Bridget Lee, the other directors on the Board are independent directors. Accordingly, there are four independent directors on the Board.

5.3 As there were no further questions on Ordinary Resolution 4, the Chairman proposed that the resolution be put to the vote.



Votes FOR the resolution: 299,699,415 votes or 97.13 per cent.

Votes AGAINST the resolution: 8,864,474 votes or 2.87 per cent.

The Chairman declared the resolution carried.

**It was resolved as an Ordinary Resolution that** the appointment of Ms Bridget Lee Siow Pei as a director of the Manager, be endorsed.

### **AS SPECIAL BUSINESS**

#### **6. ORDINARY RESOLUTION 5: GENERAL MANDATE TO ISSUE UNITS AND TO MAKE OR GRANT CONVERTIBLE INSTRUMENTS**

- 6.1 The first item under “special business”, Ordinary Resolution 5, dealt with the mandate to be given to the Manager to issue new Units in KORE and/or make or grant instruments (such as warrants or debentures) convertible into Units, and to issue Units in pursuance of such instruments. The mandate was subject to a maximum issue of up to 50 per cent per cent of the total number of issued Units in KORE as at the date of the passing of the resolution of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders would not exceed 20 per cent. In exercising the authority granted under this resolution, the Manager was to comply with the provisions of the Listing Manual of the SGX-ST and the Trust Deed. The authority conferred was to continue in force until the conclusion of the next AGM of KORE or the date by which the next AGM was required by applicable regulations to be held, whichever was the earlier.
- 6.2 The Chairman invited Unitholders to raise questions on Resolution 5 and CAP asked if the issuance of units will dilute the Units of KORE. CEO explained that an issuance of Units to the public would have a dilution effect.
- 6.3 As there were no further questions on Ordinary Resolution 5, the Chairman proposed that Resolution 5 as set out in the Notice of AGM dated 26 March 2024 be put to the vote.

Votes FOR the resolution: 208,408,416 votes or 67.52 per cent.

Votes AGAINST the resolution: 100,246,443 votes or 32.48 per cent.

The Chairman declared the resolution carried.

**It was resolved as an Ordinary Resolution that** the Manager was authorised and empowered to:

- (a) (i) issue Units whether by way of rights, bonus or otherwise and including any capitalisation of any sum for the time being standing to the credit of any of Keppel Pacific Oak US REIT’s reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution; and/or
- (ii) make or grant offers, agreements or options (collectively, “Instruments”) that would or might

require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Units,

at any time and on such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued) issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force,

provided that:

1. the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution and any adjustment effected under any relevant Instrument) shall not exceed fifty per cent (50%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) in each class (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a *pro rata* basis to Unitholders (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution and any adjustment effected under any relevant Instrument) shall not exceed twenty per cent (20%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) in each class (as calculated in accordance with sub-paragraph (2) below);
2. subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the "SGX-ST") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) shall be calculated based on the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for:
  - a. any new Units arising from the conversion or exercise of any Instruments which were issued and are outstanding or subsisting at the time this Resolution is passed; and
  - b. any subsequent bonus issue, consolidation or subdivision of Units;
3. in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (the "Listing Manual") (unless such compliance has been waived by the SGX-ST) and the Trust Deed (unless otherwise exempted or waived by the Monetary Authority of Singapore);
4. (unless revoked or varied by the Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of Keppel Pacific Oak US REIT or (ii) the date by which the next AGM of Keppel Pacific Oak US REIT is required by law or applicable regulations to be held, whichever is earlier;

5. where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
6. the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing, as the case may be, all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider necessary, expedient, incidental or in the interest of Keppel Pacific Oak US REIT to give effect to the authority conferred by this Resolution).

7. **ORDINARY RESOLUTION 6: RENEWAL OF THE GENERAL MANDATE FOR UNIT BUY-BACK (THE "UNIT BUY-BACK MANDATE")**

- 7.1 The next item under "special business" related to the mandate to be given to the Manager to repurchase issued Units for and on behalf of KORE up to the maximum limit of 10 per cent of the total number of issued Units as at the date of passing of this resolution. Unless revoked or varied by the Unitholders in a general meeting, the authority conferred would continue in force until the earlier of: (1) the date on which the next AGM of KORE is held or required by applicable laws and regulations or the Trust Deed to be held or (2) the date on which repurchases of Units pursuant to the mandate were carried out to the full extent mandated. The rationale, duration and limits of the authority were set out in the Appendix that was circulated to Unitholders prior to the meeting.
- 7.2 The Chairman invited Unitholders to raise questions on Ordinary Resolution 6 and CAP sought clarification that the buy-back would be from the market. Chairman affirmed this.
- 7.3 As there were no further questions on Resolution 6, the Chairman proposed that Ordinary Resolution 6 as set out in the Notice of AGM, be put to the vote.

Votes FOR the resolution: 300,092,885 votes or 97.23 per cent.
Votes AGAINST the resolution: 8,551,974 votes or 2.77 per cent.

The Chairman declared the resolution carried.

**It was resolved as an Ordinary Resolution that:**

- (a) the exercise of all the powers of the Manager to repurchase issued Units for and on behalf of KORE not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Manager from time to time up to the Maximum Price (as hereafter defined), whether by way of:
  - (i) market purchase(s) on the SGX-ST and/or, as the case may be, such other stock exchange for

the time being on which the Units may be listed and quoted; and/or

- (ii) off-market purchase(s) (which are not market purchase(s)) in accordance with any equal access scheme(s) as may be determined or formulated by the Manager as it considers fit in accordance with the Trust Deed,

and otherwise in accordance with all applicable laws and regulations including the rules of the SGX-ST or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, be and is hereby authorised and approved generally and unconditionally (the "Unit Buy-Back Mandate");

- (b) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred on the Manager pursuant to the Unit Buy-Back Mandate may be exercised by the Manager at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

- (i) the date on which the next AGM of KORE is held;
- (ii) the date by which the next AGM of KORE is required by applicable laws and regulations or the Trust Deed to be held; or
- (iii) the date on which repurchases of Units pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated;

- (c) in this Resolution:

"Average Closing Price" means the average of the closing market prices of the Units over the last five Market Days, on which transactions in the Units were recorded, immediately preceding the date of the market purchase or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five-day period and the day on which the market purchase(s) or, as the case may be, the date on which the offer pursuant to the off-market purchase(s), is made;

"date of the making of the offer" means the date on which the Manager makes an offer for an off-market purchase, stating therein the repurchase price (which shall not be more than the Maximum Price for an off-market purchase) for each Unit and the relevant terms of the equal access scheme for effecting the off-market purchase;

"Market Day" means a day on which the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, is open for trading in securities;

"Maximum Limit" means that number of Units representing 10 per cent of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) as at the date of the passing of this Resolution; and

"Maximum Price" in relation to a Unit to be repurchased, means the repurchase price (excluding brokerage, stamp duty, commission, applicable goods and services tax, clearing charges and other related expenses) which shall not exceed:

- (i) in the case of a market repurchase of a Unit, 105 per cent of the Average Closing Price of the Units; and
- (ii) in the case of an off-market repurchase of a Unit, 110 per cent of the Average Closing Price of the Units; and
- (d) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including, executing, as the case may be, all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of KORE to give effect to the Unit Buy-Back Mandate and/or this Resolution.

## **8. CLOSURE**

- 8.1 There being no other business, the AGM ended at 5.10 p.m. with a vote of thanks to the Chairman.

Confirmed by:  
**Mr Peter McMillan III**  
**Chairman**