



FY2021 Results Presentation

25 February 2022

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Berlin Campus

About IREIT Global

About IREIT Global

First Singapore-listed REIT with Europe-focused Mandate

Investment Mandate

Income-producing real estate in Europe which are used primarily for office, retail and industrial (including logistics) purposes, as well as real estate-related assets

Portfolio

5 freehold office properties in Germany, 5 freehold office properties in Spain and 27 freehold retail properties in France, with a total lettable area of c.384,000 sqm and valuation of c.€974.9m⁽¹⁾

Manager

IREIT Global Group Pte. Ltd., which is jointly owned by Tikehau Capital and City Developments Limited (“CDL”). Tikehau Capital is a global alternative asset management group listed in France, while CDL is a leading global real estate company listed in Singapore

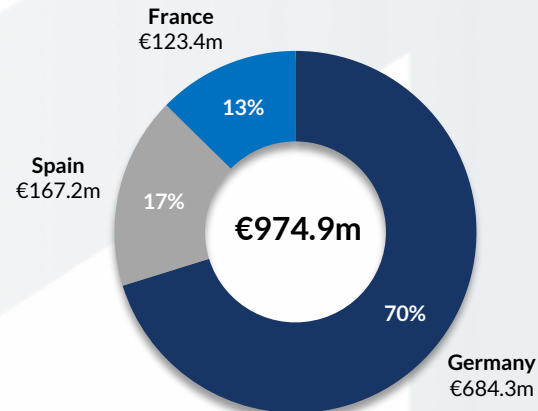
Distribution Policy

At least 90% of annual distributable income; distributions to be made on a semi-annual basis

Dual Currency Trading

Units quoted in S\$ (SGX Code: UD1U) and € (8U7U). Investors are free to buy in one currency counter and sell in the other currency counter.

Valuation by Geography⁽¹⁾





Il·lumina

Key Highlights

Key Highlights



Results

- 2H2021 net property income increased by 34.4% YoY to €23.2m.
 - ✓ Due mainly to the consolidation of the operating results of the initial Spanish portfolio, as well as acquisition of the French portfolio and Parc Cugat.
- 2H2021 DPU up by 7.9% YoY to 1.50 € cents, bringing FY2021 DPU higher by 11.0% at 2.93 € cents. ⁽¹⁾

- Occupancy stable at 95.7% as at 31 Dec 2021, while WALE improved to 3.8 years from 3.5 years a year ago.
- All tenants continued to pay their rents in FY2021 and no rental rebates or deferrals were requested.
- Successfully secured a new lease with a German federal government body to take up all five floors of office space to be returned at Münster Campus when the existing lease expires in Mar 2022.
 - ✓ The five-year lease with the new tenant is a reflection of IREIT's good quality assets in well-connected locations and will strengthen IREIT's lease profile and income certainty.



Portfolio



Gearing

- Aggregate leverage improved to 32.1% as at 31 Dec 2021 from 34.8% a year ago.
 - ✓ Due mainly to the higher independent valuations of the investment properties.
- Weighted average debt to maturity at 4.5 years, with all borrowings due to mature only in 2026 and beyond.

(1) See page 9 for more details.

Operating & Financial Performance

(€ '000)	2H2021	2H2020	Variance (%)	FY2021	FY2020	Variance (%)
Gross Revenue	28,521	19,856	43.6	52,167	37,821	37.9
Property Operating Expenses	(5,366)	(2,627)	104.3	(9,685)	(4,927)	96.6
Net Property Income	23,155	17,229	34.4	42,482	32,894	29.1
Income Available for Distribution	19,237	14,478	32.9	34,386	27,434	25.3
Income to be Distributed to Unitholders	17,313	13,031	32.9	30,947	24,691	25.3

- Gross revenue for 2H2021 registered an increase of 43.6% compared to that of 2H2020, contributing to the increase in net property income of 34.4% over the same period.
 - ✓ Due mainly to the consolidation of the operating results of the initial Spanish portfolio, as well as acquisition of the French portfolio and Parc Cugat.
- Income available for distribution for 2H2021 was in turn higher by 32.9% compared to that of 2H2020.

Distribution Per Unit

Distribution Per Unit	2H2021	2H2020	Variance (%)	FY2021	FY2020	Variance (%)
Before Retention						
- € cents	1.67	1.55	7.7	3.26	2.94	10.9
After Retention						
- € cents	1.50	1.39	7.9	2.93	2.64	11.0

- On 30 Jun 2021 and 21 Jul 2021, IREIT issued 11,372,868 new Units at the issue price of S\$0.6155 per Unit (the “Placement Units”) and 201,137,870 new Units at the issue price of S\$0.595 per Unit (the “Preferential Offer Units”) respectively.
 - ✓ The Placement Units and Preferential Offer Units are entitled to the distribution for the financial period from 30 Jun 2021 to 31 Dec 2021.
- On 23 Oct 2020, IREIT issued 291,405,597 new Units (the “Rights Units”) pursuant to a renounceable rights issue. For the purpose of comparison, FY2020 DPU has been restated to reflect the effects of the Rights Units.

Distribution Details

Distribution Period	30 Jun 2021 to 31 Dec 2021
Distribution per Unit (“DPU”)	1.51 € cents
Ex-Date	4 Mar 2022 (Friday)
Record Date	7 Mar 2022 (Monday)
Distribution Payment Date	15 Mar 2022 (Tuesday)

- The distribution currency of IREIT has been changed from S\$ to € starting with the above distribution for the period from 30 Jun 2021 to 31 Dec 2021 onwards.

Financial Position

(€ '000)	As at 31 Dec 2021	As at 31 Dec 2020	Variance (%)
Investment Properties	974,870	719,580	35.5
Total Assets	1,035,499	769,029	34.7
Borrowings	328,922	264,628	24.3
Total Liabilities	416,053	327,286	27.1
Net Assets Attributable to Unitholders	619,446	441,743	40.2
NAV per Unit (€/unit) ⁽¹⁾	0.54	0.47	14.9
NAV per Unit (S\$/unit) ⁽²⁾	0.83	0.76	9.2

- The increase in the total assets and net assets attributable to Unitholders was mainly due to the acquisition of the French portfolio and Parc Cugat, as well as the increase in the fair value of the investment properties.
- Based on closing unit price of S\$0.65 as at 31 Dec 2021, IREIT is trading at 21.6% discount to its NAV of S\$0.83 per Unit.

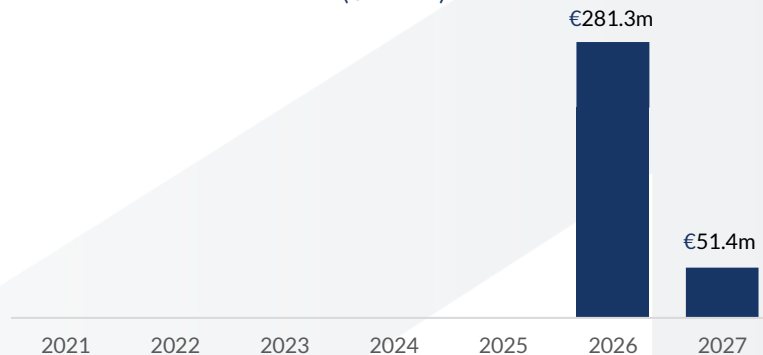
(1) The NAV per Unit was computed based on net assets attributable to Unitholders as at 31 Dec 2021 and 31 Dec 2020, and the Units in issue and to be issued as at 31 Dec 2021 of 1,155.8m (31 Dec 2020: 939.0m)

(2) Based on S\$1.5295 per € as at 31 Dec 2021 and S\$1.6249 per € as at 31 Dec 2020 extracted from MAS website

Capital and Currency Management

(€ '000)	As at 31 Dec 2021	As at 31 Dec 2020
Gross Borrowings Outstanding (€'m)	332.7	267.7
Aggregate Leverage ⁽¹⁾	32.1%	34.8%
Effective Interest Rate per Annum ⁽²⁾	1.8%	1.8%
Interest Coverage Ratio ⁽¹⁾	7.7x	7.4x
Weighted Average Debt Maturity	4.5 years	5.3 years

Debt Maturity Profile
(€ million)



- Additional borrowings were taken up in 3Q2021 to part finance the acquisition of the French portfolio and Parc Cugat.
 - ✓ Aggregate leverage remains healthy at 32.1% with effective interest rate unchanged at 1.8%.
- IREIT's distribution currency has been changed from S\$ to € starting with the distribution for the period from 30 Jun 2021 to 31 Dec 2021 onwards.
 - ✓ Time and cost savings as there is no longer a need to hedge for IREIT's future distributions.



Portfolio Summary

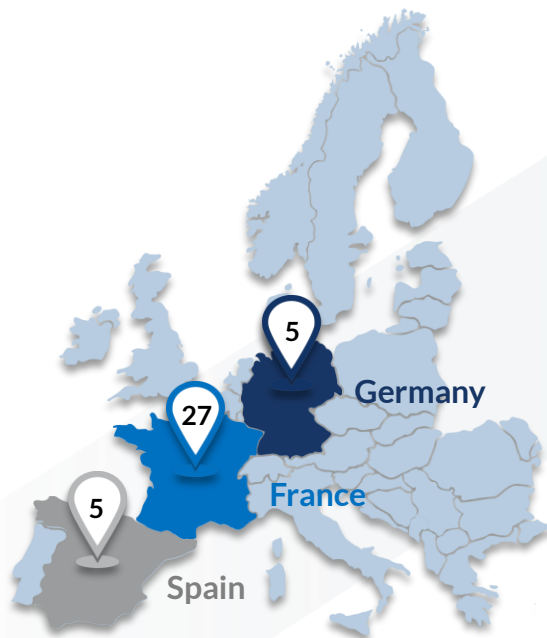
Bonn Campus

Portfolio Overview

Diversified Portfolio Across Key Developed Markets in Europe

Overall Portfolio	
Properties	37
Lettable Area (sqm)	384,282
Valuation (€ m) ⁽¹⁾	974.9
Occupancy (%)	95.7%
WALE (years) ⁽²⁾	3.8

France	
Properties	27
Lettable Area (sqm)	95,500
Valuation ⁽¹⁾ (€ m)	123.4
% of Portfolio	12.7%
Occupancy	100%
WALE (years) ⁽²⁾	9.6



Germany	
Properties	5
Lettable Area (sqm)	201,103
Valuation (€ m) ⁽¹⁾	684.3
% of Portfolio	70.2%
Occupancy (%)	99.8%
WALE (years) ⁽²⁾	2.4

Spain	
Properties	5
Lettable Area (sqm)	87,679
Valuation (€ m) ⁽¹⁾	167.2
% of Portfolio	17.2%
Occupancy (%)	81.8%
WALE (years) ⁽²⁾	4.3

Independent Portfolio Valuation

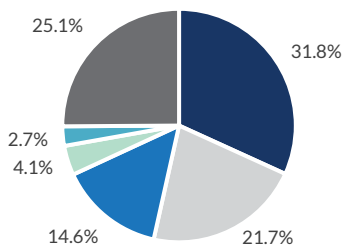
Independent Valuation (€ million)	As at 31 Dec 2021	As at 31 Dec 2020	Variance (%)
German Portfolio	684.3	587.9	16.4
Berlin Campus	323.2	226.1	42.9
Bonn Campus	121.8	113.7	7.1
Darmstadt Campus	71.5	90.4	-21.0 ⁽¹⁾
Münster Campus	69.9	64.4	8.5
Concor Park	97.9	93.3	4.9
Spanish Portfolio	167.2	131.7	27.0
Delta Nova IV	30.9	28.4	8.8
Delta Nova VI	40.6	38.6	5.2
Il·lumina	25.5	25.4	0.4
Sant Cugat Green	41.6	39.3	5.9
Parc Cugat ⁽²⁾	28.6	-	-
French Portfolio ⁽²⁾	123.4	-	-
IREIT Portfolio	974.9	719.6	35.5

- The increase in IREIT's portfolio value was driven mainly by the acquisition of the French portfolio and Parc Cugat, as well as a significant increase in the fair value of Berlin Campus.
 - ✓ Recent transaction of a neighbouring property to Berlin Campus has resulted in yield compression and proven that higher rental rates are achievable.

Portfolio Lease Profile

Well Staggered Lease Expiry Profile with a Blue-Chip Tenant Base

Key Tenants (1)



- GMG - Deutsche Telekom
- Decathlon
- Allianz Handwerker Services GmbH
- Deutsche Rentenversicherung Bund
- DCX Technology
- Others



Deutsche Telekom is one of the world's leading integrated telcos with around c. 242m mobile customers, c. 27m fixed-network lines and c. 22m broadband lines. S&P's long-term rating stands at BBB.

Deutsche Rentenversicherung Bund is Europe's largest statutory pension insurance company with over 57m customers and 'AAA' credit rating.

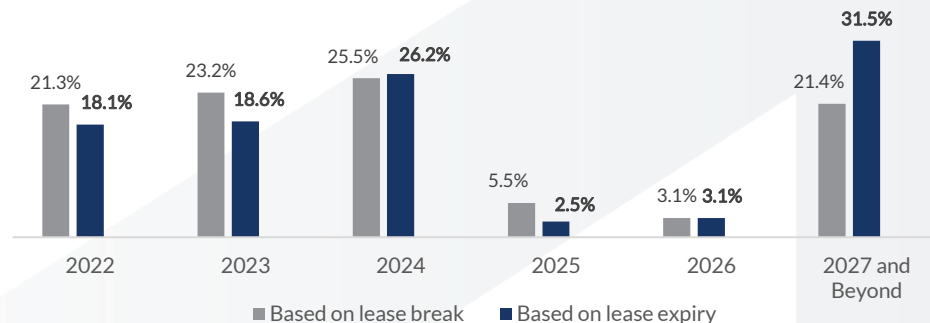
Decathlon is one of the world's largest sporting goods retailer with over 1,600 stores across 69 countries. It has a sales turnover of €12.4b in 2019 and its S&P's short-term rating stands at A-2.

DXC Technology is a Fortune 500 company and investment grade information technology services company listed on the NYSE. It is represented in the S&P 500 Index.

Allianz Handwerker Services is a unit of Allianz SE, one of the world's largest insurance companies. S&P's long-term rating stands at AA.

Lease Break and Expiry Profile (1)

Weighted Average Lease Expiry: 3.8 years



(1) Based on gross rental income as at 31 Dec 2021

Asset Management Initiatives

Active Engagement with Existing and Prospective Tenants

Germany

- **Berlin Campus:** Deutsche Rentenversicherung Bund (“DRV”) did not exercise its break option in 2Q2021, hence its entire lease will end in Jun 2024. Exploring various options with DRV for rental upside as the property is significantly under-rented.
- **Bonn Campus:** Maintaining strong relationship with Deutsche Telekom to retain tenant beyond its lease expiry in Apr 2023. Tenant has expressed interest to stay but prefers more flexibility such as ability to sublet. Evaluating options with tenant.
- **Darmstadt Campus:** Deutsche Telekom informed in Nov 2021 that it intends to vacate property when its lease expires in Nov 2022. Active marketing of the property currently on-going. Property is in a prime office location and close to Darmstadt’s main railway station. ⁽¹⁾
- **Münster Campus:** Successfully secured a new lease with a German federal government body to take up all five floors of office space to be returned by Deutsche Telekom when its lease expires in Mar 2022. Quality five-year lease with prolongation options will strengthen IREIT’s lease profile and income certainty. ⁽²⁾ Low current office vacancy rate in Münster at c.1.5%.
- **Concor Park:** Healthy leases with just c.500 sqm of vacant storage space (1.4% vacancy at property). One key tenant has requested to lease more space for office use. Currently exploring potential to convert part of canteen space into office space.

(1) Please refer to IREIT’s announcement on the lease in relation to Darmstadt Campus dated 5 Nov 2021 for more details.

(2) Please refer to IREIT’s press release on the new lease at Münster Campus dated 26 Nov 2021 for more details.

Asset Management Initiatives (cont'd)

Active Engagement with Existing and Prospective Tenants

Spain

- **Delta Nova IV and VI:** Making good progress with potential tenants to lease the vacant units. Secured a new lease with a strong tenant to occupy c.560 sqm for a period of 3 years in Jul 2021. Also negotiating with a key tenant to renew its leases of c.2,900 sqm that is expiring in Dec 2022.
- **Sant Cugat Green:** In advanced negotiations with a data centre operator to lease c.5,400 sqm of vacant data centre space for long term. As anticipated during the initial investment of the property, one key tenant to vacate c.6,400 sqm of space when its lease expires in Dec 2022. Commenced active discussions to lease this space to a potential tenant.
- **Il·lumina:** Successfully increased occupancy rate from 69.2% at initial investment in Dec 2019 to 91.1% now (from c.60% to c.95% for office space only). Secured a new lease of c.190 sqm for a 3-year period and 2 lease extensions (c.1,120 sqm and c.4,660 sqm respectively) in Jul 2021. Also in discussions with an existing tenant who is looking at leasing an additional 180 sqm of space. Actively marketing c.1,600 sqm of space to be vacated by one key tenant when its lease expires in Aug 2022.
- **Parc Cugat:** Acquisition completed in Sep 2021. Already actively marketing the vacant space. Rental guarantee granted by the vendor until 31 Dec 2022.

Key Takeaways:

- IREIT's portfolio has remained resilient and all tenants have continued to pay their rents in FY2021.
- Overall occupancy rate has improved from 94.6% as at 31 Dec 2019 to 95.7% due to Manager's strong leasing efforts.



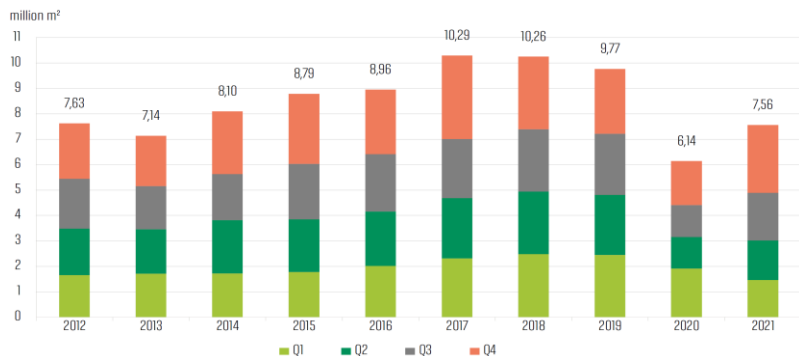
Market Review

Sables d'Olonne

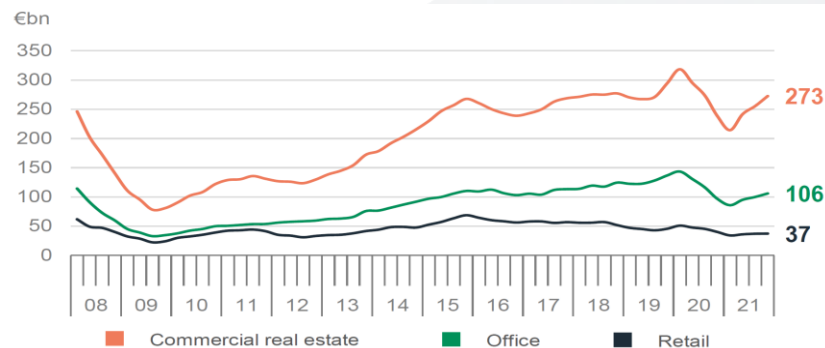
Office Market in Europe

Take-Up of Office Space in Europe Picked Up from 2Q2021

Office Take-up in 15 Key European Cities (1)



Commercial Real Estate Investment Volume in Europe (2)

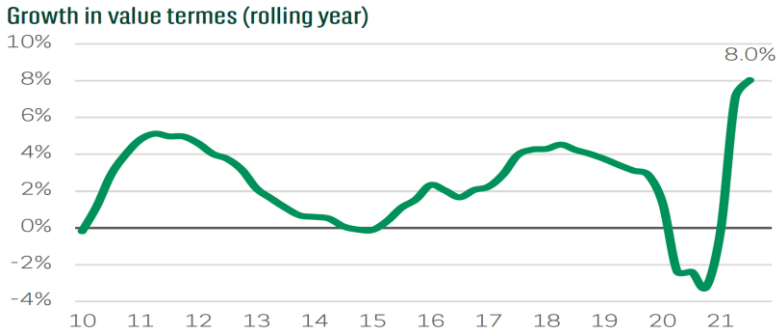


- Take-up in 15 key European office markets at 7.56m sqm in 2021, representing an increase of 23% from 2020.
 - ✓ Overall vacancy rate slightly higher at 7.1%, but average prime rents remained at high levels.
- Office investment volume reached €106bn (+10% YoY), accounting for 38.8% of the total commercial volume of €273bn.
 - ✓ Economic recovery, favourable interest rates and relaxation of movement restrictions supported investment activity.

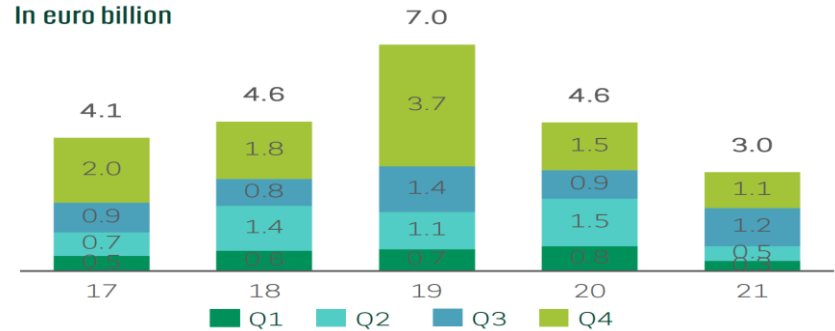
Retail Market in France

Continued Improvement in French Retail Market

Retail Sales in France ⁽¹⁾



Retail Investment Volume in France ⁽¹⁾



- 3Q2021 retail sales up 8.0% on a rolling 12-month average, supported by healthy household consumption.
 - ✓ Retail footfall in France has gradually returned to pre-COVID-19 levels.
- Retail investment in 4Q2021 came in at €1.1bn, bringing the total volume in 2021 to €3.0bn (-33.5% YoY).
 - ✓ Out-of-town retail investment up from €0.8bn in 2020 to €1.4bn in 2021, coming in at 7.8% above the 5-year average.
 - ✓ Rebound in household spending and attractive property yields to lend support on investments.



Delta Nova VI

**Looking
Ahead**

Looking Ahead



Macro

- Office letting activity across the key European cities in 2021 has increased significantly compared to the prior year, with 2H2021 showing signs of normalisation in take-up.
- Coupled with the economic recovery and favourable financing conditions, investor demand for commercial real estate in Europe has also improved over the same period.

- Supported by a blue-chip tenant mix and diversified asset base, IREIT's portfolio has remained resilient.
- During the year, Manager performed environmental audits on selected properties within IREIT's portfolio to pursue green building certifications.
- In 2022, Manager will continue to focus its efforts on asset management to maintain IREIT's portfolio occupancy rate and optimise the long-term attractiveness of the assets through its sustainability initiatives.



Portfolio



Focus

- In view of the adoption of flexible working arrangement by companies and evolving demand for office space, Manager will also continue to pursue investment and capital recycling opportunities.
 - ✓ Further diversify IREIT's asset class exposure and strengthen its income streams.
- At the same time, Manager is exploring various funding options to broaden IREIT's financing sources and flexibility.



Thank You

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