(a real estate investment trust constituted on 1 November 2013
under the laws of the Republic of Singapore)

PROPOSED ACQUISITION OF A PORTFOLIO OF 27 RETAIL PROPERTIES LOCATED IN FRANCE

Unless otherwise indicated, certain Euro amounts in this Announcement have been translated into Singapore dollars based on the exchange rate of €1.00 = S$1.60 for illustrative purpose only.

1. INTRODUCTION

IREIT Global Group Pte. Ltd., in its capacity as the manager of IREIT Global ("**IREIT**", and as manager of IREIT, the "**Manager**") is pleased to announce that FIT 2, a French SAS company which is a direct wholly-owned subsidiary of IREIT (the "**Purchaser**"), has entered into a conditional sale agreement (the "**Sale Agreement**") with Decathlon SE and other companies under the same control of Decathlon SE (directly or indirectly), namely, Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon (together, the "**Vendor**") to acquire a portfolio of 27 retail properties located in France (the "**Properties**" and the acquisition of the Properties, the "**Acquisition**").

2. INFORMATION ON THE PROPOSED ACQUISITION

2.1 Description of the Properties

The Properties comprise 27 retail properties located in France with a total gross lettable area ("**GLA**") of 95,477 square metres ("**sqm**"), an overall occupancy rate of 100.0%[1] and a weighted average lease expiry ("**WALE**") by gross rental income ("**GRI**") of 10 years[1] with a weighted average lease to break ("**WALB**") of 6 years[2].

The Properties were developed by Decathlon France SAS ("**Decathlon**"), the largest sporting goods retailer in the world with approximately 1,650 stores in nearly 1,000 cities in 57 countries and regions, and have been owner-occupied for approximately 15 years on average. The Properties are all freehold. Upon completion of the Acquisition ("**Completion**"), each of the 27 Properties will be leased-back to Decathlon as sole tenant pursuant to a commercial lease with a 10-year initial duration and an option to break after 6 years[3], except for one Property (Cholet) which is also tenanted to another retailer, B&M. In accordance with French law, the lease with B&M will be automatically transferred to the Purchaser. A rental guarantee of 6 years is granted by Decathlon with respect to the B&M lease.

1 The lease with Decathlon will be entered into and commence on the date of Completion.

2 WALB is not adjusted for the 18-month penalty payment which is payable by Decathlon in relation to 9 Properties (Vichy, Lannion, Concarneau, Châteauroux, Sarrebourg, Cergy, Evreux, Foix and Laval) upon termination of the lease after the permissible break date being 6 years after the date of commencement of the lease.

3 Pursuant to the French commercial lease regime, a tenant has an option to break at the end of each triennial period of the lease. Decathlon has waived its right to terminate the lease at the end of the first triennial period (i.e. 3 years after the date of commencement of the lease).

The table below sets out a summary of selected portfolio information on the Properties as at 26 April 2021, unless otherwise indicated.

Land Area	631,464 sqm
GLA	95,477 sqm
Committed Occupancy	100.0%(1)
Number of Tenants	1 for each of the Properties, except for Cholet which has 2
WALE	10 years (by GRI)(1)
WALB	6 years(2)
Land Tenure	Freehold
Valuation as at 26 April 2021	€113.9 million
Agreed Value	€110.5 million
GRI	€7.887 million
Net Property Income ("NPI")	€7.867 million(3)
NPI Yield on Agreed Value	7.1%(4)

Notes:

(1) The lease with Decathlon will be entered into and commence on the date of Completion.

(2) WALB is not adjusted for the 18-month penalty payment which is payable by Decathlon in relation to 9 Properties (Vichy, Lannion, Concarneau, Châteauroux, Sarrebourg, Cergy, Evreux, Foix and Laval) upon termination of the lease after the permissible break date being 6 years after the date of commencement of the lease.

(3) Based on the estimated NPI of the Properties for the period from 1 January 2020 to 31 December 2020 assuming the Properties had a portfolio occupancy of 100.0% as of 31 December 2020 and all leases, whether existing or committed, were in place since 1 January 2020.

(4) Based on NPI and Agreed Value.

The table below sets out a summary of certain information on the Properties as at 26 April 2021, unless otherwise indicated.

Property	Opening Year	Land Area (sqm)	GLA (sqm)	Valuation (€ m)	Agreed Value (€ m)	Land Tenure	GRI (€'000)
Vichy	2002	79,797	3,293	3.7	3.6	Freehold	274
Aurillac	2003	21,704	3,240	4.2	4.1	Freehold	299
Mâcon	1994	30,513	5,990	8.0	7.7	Freehold	568
Belfort Bessoncourt	2013	20,772	3,365	4.1	4.1	Freehold	278
Lannion	2012	27,976	3,569	4.0	3.9	Freehold	282
Dinan	2011	18,084	2,402	2.3	2.3	Freehold	159
Concarneau	2013	10,431	2,385	2.4	2.3	Freehold	163

Property	Opening Year	Land Area (sqm)	GLA (sqm)	Valuation (€ m)	Agreed Value (€ m)	Land Tenure	GRI (€'000)
Pontivy	2012	25,373	2,369	2.2	2.2	Freehold	162
Châteauroux	1999	27,134	4,529	5.7	5.7	Freehold	401
Dreux	2004	15,565	2,633	3.7	3.6	Freehold	251
Verdun	1997	13,000	2,928	3.0	3.0	Freehold	216
Sarrebourg	2012	16,319	2,848	2.7	2.7	Freehold	199
Douai	1998	17,252	2,454	3.2	3.1	Freehold	221
Calais	2011	21,204	3,623	4.7	4.5	Freehold	323
Abbeville	2017	17,292	2,485	2.7	2.6	Freehold	168
Cergy	2013	41,239	5,909	8.2	7.8	Freehold	587
Pont-Audemer	2000	10,126	1,476	1.7	1.6	Freehold	116
Evreux	2000	34,583	5,793	5.7	5.5	Freehold	406
Châtellerault	2010	14,673	3,467	3.7	3.5	Freehold	241
Foix	2000	26,087	4,579	4.1	4.0	Freehold	296
Laval	2001	27,722	4,653	5.4	5.3	Freehold	392
Sables d'Olonne	2014	16,898	2,543	3.4	3.3	Freehold	218
Cholet	2010	24,998	4,813 (Decathlon) 2,043 (B&M)	10.5	10.5	Freehold	455 220
Gap	1995	16,500	2,795	4.0	4.0	Freehold	276
Istres	2011	11,997	2,934	4.0	3.6	Freehold	262
Sens	2009	15,305	3,050	3.2	3.1	Freehold	226
Bergerac	2012	28,920	3,309	3.3	3.1	Freehold	228
Total		**631,464**	**95,477**	**113.9**	**110.5**		**7,887**

(See also **Appendix A** annexed to this announcement for further details on the Properties.)

2.2 Structure of the Acquisition

On 27 April 2021, the Purchaser entered into a conditional Sale Agreement with the Vendor to acquire the Properties. Under the terms of the Sale Agreement, the Purchaser has been granted the option to require the Vendor to sell the Properties to the Purchaser or to the benefit of any affiliates to whom the Purchaser assigns its rights under the Sale Agreement (the "**Call Option**"), which shall be exercised by no later than 29 June 2021. For the avoidance of doubt, the Call Option will be exercised by the Purchaser only after the passing of the resolution for the proposed Acquisition at the extraordinary general meeting ("**EGM**") which is expected to occur before 29 June 2021.

Prior to Completion, the Manager intends for the Purchaser to assign its rights under the Sale Agreement to FIT 1, a French SCI company to be incorporated which will be an indirect wholly-owned subsidiary of IREIT, the share capital of which will be jointly held by IREIT Global Holdings 6 Pte. Ltd. (99.0%) (a direct wholly-owned subsidiary of IREIT to be incorporated) and the Purchaser (1.0%).

Further, pursuant to the terms of the Sale Agreement, on the date of Completion, FIT 1 will enter into a commercial lease agreement with Decathlon for each of the Properties for a 10-year initial lease duration with an option to break after 6 years[1] on a triple-net lease basis[2], commencing on the date of Completion with the signing of the Deed of Sale (as defined herein).

2.3 Purchase Consideration and Valuation

Pursuant to the terms of the Sale Agreement, the aggregate purchase consideration (the "**Purchase Consideration**") payable to the Vendor in connection with the Acquisition is €110.5 million (approximately S$176.8 million), based on the agreed market value (the "**Agreed Value**") of the Properties of €110.5 million (approximately S$176.8 million), taking into account, among other things, the independent valuation of the Properties.

The Manager and the Trustee have appointed an independent property valuer, Savills Valuation SAS ("**Independent Valuer**"), to value the Properties on a market value basis. The valuation of the Properties as at 26 April 2021 is €113.9 million (approximately S$182.2 million) as stated by the Independent Valuer in its valuation report (based on the income capitalisation method). The Agreed Value (a discount of 3.0%) was negotiated on a willing-buyer and willing-seller basis and takes into account the independent valuation of the Properties.

It should be noted that Cholet is subject to a pre-emption right in favour of an unrelated third party, and Verdun is also subject to a pre-emption right in favour of another unrelated third party. Further, under applicable French laws, the proposed asset sale of each of the Properties is subject to a pre-emption right in favour of the French local authority.

For the avoidance of doubt, in the event that the pre-emption right is exercised and/or not waived against a Property before the deadline for the conditions precedent to be satisfied (see paragraph 2.4(v) below), such Property will not be acquired together with the other Properties and the Purchase Consideration payable to the Vendor will be adjusted accordingly to exclude the amount payable for such Property. (See the condition precedent in paragraph 2.4(iv)(a) below.)

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1 Pursuant to the French commercial lease regime, a tenant has an option to break at the end of each triennial period of the lease. Decathlon has waived its right to terminate the lease at the end of the first triennial period (i.e. 3 years after the date of commencement of the lease).

2 "**Triple-net lease**" refers to a lease whereby the lessee pays in addition to rent, the following property-related expenses: (i) property taxes, (ii) property insurance and (iii) day-to-day maintenance and upkeep of the property including but not limited to cleaning, security, utilities, servicing of all mechanical and electrical items, save for certain management fees as regulated by French law.

However, in relation to Cholet only, under the terms of the Sale Agreement, even if the pre-emption right is exercised before the deadline for the conditions precedent to be satisfied, in the event the pre-empted sale to the third party is not completed before the end of October 2021 (in such case the third party being considered in default and his pre-emption right waived), the Purchaser shall acquire Cholet at the same Purchase Consideration based on the Agreed Value for Cholet by no later than 31 December 2021.

2.4 Principal Terms of the Sale Agreement

The Acquisition shall be governed by the terms and conditions of the Sale Agreement entered into between the Purchaser and the Vendor on 27 April 2021, including the terms, representations and warranties in the framework deed of sale appended thereto (the "**Deed of Sale**") which shall be executed on the date of Completion.

The principal terms of the Sale Agreement include, among others, the following:

(i) a fixed compensation amount of approximately €11.0 million, representing 10.0% of the Purchase Consideration (the "**Fixed Compensation**") was agreed between the Purchaser and the Vendor, whereby a portion of the Fixed Compensation amounting to approximately €5.5 million, representing 5.0% of the Purchase Consideration shall be paid by the Purchaser as a deposit to the Vendor (held by a third party escrow agent) within ten business days from the date of entry of the Sale Agreement;

(ii) the 5.0% deposit shall be returned to the Purchaser in the event of any of the following:

  (a) if the Purchaser fails to exercise the Call Option by 29 June 2021; or

  (b) after the Purchaser exercises the Call Option:

    (1) if on the date of Completion, the Purchaser assigns its rights under the Sale Agreement to an affiliate after the Deed of Sale is signed; or

    (2) if the Completion does not occur as a result of:

      (A) any of the conditions precedent below not being satisfied;

      (B) the termination of the Sale Agreement due to the Vendor's default; or

      (C) the Properties suffering material or total loss such that the Sale Agreement is nulled and void,

  provided that in relation to (A) and (C) above, only the portion of the 5.0% deposit in respect of the affected Property(ies) will be returned, unless more than six Properties are affected in which case the full sum shall be returned;

(iii) the 5.0% deposit shall not be returned, and the Purchaser shall pay to the Vendor the unpaid balance of the Fixed Compensation, in the event of a termination of the Sale Agreement due to the Purchaser's default;

(iv) the Completion is subject to and conditional upon the following conditions precedent:

(a) there being no exercise and/or a waiver of a pre-emption right or preferential right over the Properties.[1] For the avoidance of doubt, where the pre-emption right or preferential right is exercised and/or not waived over one or more of the Properties, this condition precedent will be considered not to have been fulfilled in respect of this or these Property(ies) in question only;

(b) the signing by the Vendor of the deeds of sale to exercise an option in order for the Vendor to sell to the Purchaser the Properties which are owned by the Vendor through a financed lease with Crédit Bail, namely Bergerac, Bessoncourt, Calais, Chatellerault, Cholet, Concarneau, Taden, Istres, Lannion, Olonne sur Mer, Cergy, Pontivy, Sarrebourg and Sens;

(c) the production of mortgage information or an extract from the Land Register, drawn up in relation to each of the Properties, showing no mortgage registrations, or other securities or registrations jeopardising the free disposal of the right of ownership of the Properties;

(d) the production by the Vendor of previous title deeds and mortgage reports confirming proper legal and good marketable title of the Properties over the last 30 years[2]; and

(e) there being no breach of any warranties which would result in a material adverse effect on the Properties;

(v) in accordance with the Sale Agreement, if any of the conditions precedent above is not satisfied on or before 15 July 2021, the Sale Agreement shall be null and void (but only in connection to the Property(ies) for which the condition precedent is not satisfied, unless more than six Properties are affected) and neither the Purchaser nor the Vendor shall have any claim against the other under it, save for any claim arising from antecedent breaches of the Sale Agreement; and

(vi) within 10 business days from the fulfilment of the last conditions precedent, but no earlier than 15 July 2021, the Purchaser (or its assignee) and the Vendor shall execute the Deed of Sale and thereby complete the Acquisition, unless otherwise

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1 In this regard, Cholet is subject to a pre-emption right in favour of an unrelated third party, and Verdun is also subject to a pre-emption right in favour of another unrelated third party. Further, under applicable French laws, the proposed asset sale of each of the Properties is subject to a pre-emption right in favour of the French local authority. (See paragraph 2.3 above for further details on the pre-emption rights.)

2 The Manager has through due diligence of the Properties ascertained that the Vendor has proper legal and good marketable title over each Property (save that the Vendor must beforehand exercise its call option and sign the deed of sale for the Properties owned through a financed lease as a condition precedent (see paragraph 2.4(iv)(b) above)). Nonetheless, a general market practice to further evidence proper legal and good marketable freehold title of a French property is to establish the chain of ownership for at least 30 years prior to the sale of such property. For majority of the Properties, the title deeds to establish the chain of ownership over the last 30-year period has been made available, correlated and completed by the stipulations of the land registry certificate. However, certain old previous title deeds / land registry excerpts in relation to a few of the Properties have been requested but have not yet been provided by the Vendor. For the avoidance of doubt, it should be noted that such request is a market practice and not a regulatory requirement under French law, and is not material in determining the proper legal and good marketable title of the Vendor over each Property. It should also be noted that certain additional information in order to justify the delisting from public property of former plots in relation to two Properties (Mâcon and Osny) have been requested but are expected to be obtained from the Vendor prior to Completion.

agreed in accordance with the terms of the Sale Agreement.

2.5 Estimated Total Acquisition Cost

The total cost of the Acquisition (the "**Total Acquisition Cost**") is estimated to be approximately €122.3 million (approximately S$195.7 million) comprising:

(i) the Purchase Consideration of approximately €110.5 million (approximately S$176.8 million);

(ii) the acquisition fee of approximately €1.1 million (approximately S$1.8 million) (the "**Acquisition Fee**") payable in cash to the Manager (being 1.0% of the Agreed Value pursuant to the Trust Deed (as defined herein)); and

(iii) the estimated professional and other fees and expenses[1] of approximately €10.7 million (approximately S$17.1 million) incurred or to be incurred by IREIT in connection with the Acquisition.

3. METHOD OF FINANCING

The Manager intends to finance the Total Acquisition Cost though a combination of (i) the net proceeds raised from the issue of new units in IREIT ("**Units**", and the new Units to be issued, "**New Units**") pursuant to an equity fund raising ("**Equity Fund Raising**"), (ii) external bank borrowing(s), and/or (iii) a drawdown of debt facilities.

The structure and timing of the proposed Equity Fund Raising have not been determined by the Manager. If and when the Manager decides to undertake the proposed Equity Fund Raising, the proposed Equity Fund Raising may, at the Manager's absolute discretion and subject to the then prevailing market conditions, comprise:

(i) a private placement of New Units to investors (the "**Private Placement**"); and/or

(ii) a non-renounceable preferential offering of New Units to the existing unitholders of IREIT ("**Unitholders**") on a *pro rata* basis (the "**Preferential Offering**", and the New Units to be issued pursuant to the Preferential Offering, the "**Preferential Offering Units**").

It should be noted that, while the Manager's primary objective is to pursue an Equity Fund Raising, should the market conditions be non-conducive to raise capital by equity and/or the proposed Whitewash Resolution (as defined herein) is not approved by the Unitholders, the Manager may decide in the best interest of Unitholders to fund the Total Acquisition Cost with less or no equity capital raised by way of the Equity Fund Raising and the balance to be funded through a combination of external bank borrowing(s) and/or a drawdown of debt facilities. In this regard, the Manager may drawdown on a bridge loan facility of up to €79.0 million (the "**Bridge Loan**") from Tikehau Capital SCA ("**Tikehau Capital**"), one of the strategic investors of IREIT, to partially fund the Total Acquisition Cost. For the avoidance of doubt, while the entry into the facility agreement in connection with the Bridge Loan ("**Bridge Loan Agreement**") would constitute an "interested person transaction" under

1 Such fees and expenses include real estate transfer tax of approximately €7.5 million (approximately S$12.0 million), acquisition costs and debt financing costs of approximately €3.2 million (approximately S$5.1 million).

Chapter 9 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), Unitholders' approval would not be required in relation to the Bridge Loan Agreement pursuant to Chapter 9 of the Listing Manual as the value of the Bridge Loan Agreement, calculated based on the interest payable on the Bridge Loan pursuant to Rule 909(3) of the Listing Manual, is not expected to be more than 1.0% of IREIT's latest audited net tangible assets and thus falls below the 5.0% threshold under Rule 906 of the Listing Manual. The Manager intends to aggregate the value of the Bridge Loan Agreement together with other interested person transactions, if any, entered into for the financial year ending 31 December 2021.

The final decision regarding the method of financing to be employed to fund the Acquisition will be made by the Manager in its sole discretion at the appropriate time, taking into account the then prevailing market conditions, interest rate environment, availability of alternative funding options, the impact on IREIT's capital structure, distribution per Unit ("**DPU**") and debt expiry profile and the covenants and requirements associated with each financing option. For the avoidance of doubt, in the event that the Manager does not proceed with the Equity Fund Raising, IREIT will have sufficient internal resources and financing[1] to complete the Acquisition.

If and when the Manager decides to undertake the proposed Equity Fund Raising, the Manager will announce the details of the Equity Fund Raising on the SGXNET at the appropriate time when it launches the Equity Fund Raising.

3.1 Commitment of Tikehau Capital, City Strategic Equity Pte. Ltd. ("CSEPL") (a wholly-owned subsidiary of City Developments Limited ("CDL")), AT Investments Limited ("AT Investments") and the Manager (acting in its own capacity)

To demonstrate its support for IREIT and the Preferential Offering, in the event that the proposed Equity Fund Raising includes a Preferential Offering, each of Tikehau Capital, CSEPL and AT Investments, being key strategic investors of IREIT, and IREIT Global Group Pte. Ltd. (acting in its own capacity) ("**IGGPL**"), which respectively owns an aggregate direct interest in 275,401,501[2], 198,047,398[3], 51,069,100 and 2,053,542[4] Units representing approximately 29.3%[2], 21.1%[3], 5.4% and 0.2%[4] respectively of the total number of Units in issue as at the date of this Announcement[4, 5], has irrevocably undertaken to the Manager (collectively, the "**Undertakings**" and each, an "**Undertaking**") that, among other things, in accordance with the terms and conditions of the Preferential Offering, it will by the last day for acceptance and payment of the Preferential Offering Units, accept, subscribe and pay in full for its total provisional allotment of the Preferential Offering Units corresponding to its

1 The loan facilities are committed and undrawn at the moment.

2 Includes the 1,820,699 Units to be transferred from the Manager to Tikehau Capital pursuant to the share transfer agreement dated 21 April 2021, the transfer of which will be completed prior to the Units being traded ex-rights for the Preferential Offering.

3 Includes the 1,820,698 Units to be transferred from the Manager to CSEPL (as nominated by City REIT Management Pte Ltd) pursuant to the share transfer agreement dated 21 April 2021, the transfer of which will be completed prior to the Units being traded ex-rights for the Preferential Offering.

4 Prior to the Units being traded ex-rights for the Preferential Offering, the Manager expects to be issued new Units as payment for its base management fees for the period from 1 January 2021 to 31 March 2021. For the avoidance of doubt, the Undertaking takes into account these new Units to be issued to the Manager in determining IGGPL's provisional allotment but does not include the 1,820,699 Units and the 1,820,698 Units to be transferred from the Manager to Tikehau Capital and CSEPL, respectively, prior to the Units being traded ex-rights for the Preferential Offering.

5 Based on the total number of 938,963,086 Units in issue as at the date of this Announcement.

direct interest in IREIT (such provisional allotment of the Preferential Offering Units of each of Tikehau Capital, CSEPL, AT Investments and IGGPL, the "**Pro Rata Units**").

Further, CSEPL will, in addition to the above, in accordance with the terms and conditions of the Preferential Offering, accept, subscribe and pay in full for such number of additional Preferential Offering Units in excess of the Pro Rata Units (the "**Excess Preferential Offering Units**") to the extent that there remains any Preferential Offering Units unsubscribed after satisfaction of all applications by other eligible Unitholders for the Preferential Offering Units, so that, when aggregated with its total provisional allotment of the Preferential Offering Units, the total subscription of CSEPL would amount to approximately S$59 million of Preferential Offering Units, subject to (i) the receipt of the SIC Waiver from the SIC (such waiver not being revoked or repealed) that CSEPL need not make a Mandatory Offer pursuant to Rule 14 of the Code as a result of the subscription by CSEPL of the Excess Preferential Offering Units in accordance with the terms of CSEPL's Undertaking, and (ii) if the SIC Waiver is so granted, the fulfilment of conditions to be laid down by the SIC, including, but not limited to, the passing of the proposed Whitewash Resolution by the Independent Unitholders (each of the foregoing capitalised term as defined herein). For the avoidance of doubt, **CSEPL's undertaking to subscribe for its Pro Rata Units shall continue to apply** even if the SIC Waiver is not granted (or is revoked or repealed) or the conditions for the SIC Waiver are not satisfied, including that the proposed Whitewash Resolution is not passed at the EGM by the Independent Unitholders.

For the avoidance of doubt, Tikehau Capital, CSEPL, AT Investments and IGGPL, among others, will rank last in the allocation of Excess Preferential Offering Units applications.

The Undertakings are subject to the approval in-principle having been obtained from the SGX-ST for the listing and quotation of the New Units on the Main Board of the SGX-ST and such approval not having been withdrawn or revoked on or prior to the completion of the proposed Equity Fund Raising.

Each of Tikehau Capital, CSEPL, AT Investments and IGGPL has further irrevocably undertaken to the Manager that it will vote in favour of the resolution approving the proposed Acquisition at the extraordinary general meeting ("**EGM**").

3.2 Waiver of the Singapore Code on Take-overs and Mergers

In the event that the Equity Fund Raising comprises the Private Placement and the Preferential Offering, the subscription by CSEPL of the Excess Preferential Offering Units is subject to the grant of a waiver (the "**SIC Waiver**") by the Securities Industry Council (the "**SIC**") of the requirement for CSEPL to make a mandatory general offer (the "**Mandatory Offer**") for the remaining Units not owned or controlled by CSEPL and the parties acting in concert with CSEPL (the "**Concert Parties**" and together with CSEPL, the "**Concert Party Group**"), in the event that the Concert Party Group incurs an obligation to make a Mandatory Offer pursuant to Rule 14 of the Singapore Code of Take-overs and Mergers (the "**Code**") as a result of the subscription by CSEPL of the Excess Preferential Offering Units in accordance with the terms of the Undertakings, subject to the satisfaction of the conditions specified in the SIC Waiver including, but not limited to, the Unitholders other than the Concert Party Group and parties not independent of them (the "**Independent Unitholders**") approving a resolution (the "**Whitewash Resolution**") by way of a poll to waive their rights to receive a general offer for their Units from CSEPL.

An application was made to the SIC for the waiver of the obligation of CSEPL to make a Mandatory Offer under Rule 14 of the Code should the obligation to do so arise as a result of the subscription by CSEPL of the Excess Preferential Offering Units in accordance with the terms of the Undertakings. Further details of the outcome of the application to the SIC and the conditions imposed by the SIC (including the details of the proposed Whitewash Resolution) will be set out in the circular (the "**Circular**") to be issued to the Unitholders in due course, together with a notice of EGM, for the purpose of seeking the approval of Unitholders for the proposed Acquisition and the proposed Whitewash Resolution.

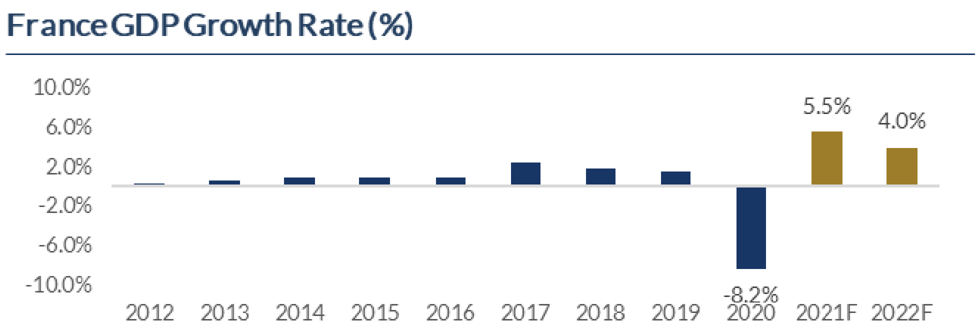
4. RATIONALE OF THE ACQUISITION

The Manager believes that the Acquisition will bring the following key benefits to Unitholders:

4.1 Strategic Foray into France and a New Asset Class

The proposed Acquisition provides IREIT with an attractive entry point into France, the third largest economy in Europe by gross domestic product ("**GDP**").[1]

The French economy is expected to rebound strongly from 2020, with GDP growth forecasted to outpace that of Europe, at 5.5% and 4.0% in 2021 and 2022 respectively.[2] This is supported by the French government's €100 billion "Relaunch France" economic stimulus which includes reduction in taxes, increase in public investments and additional funding in training.



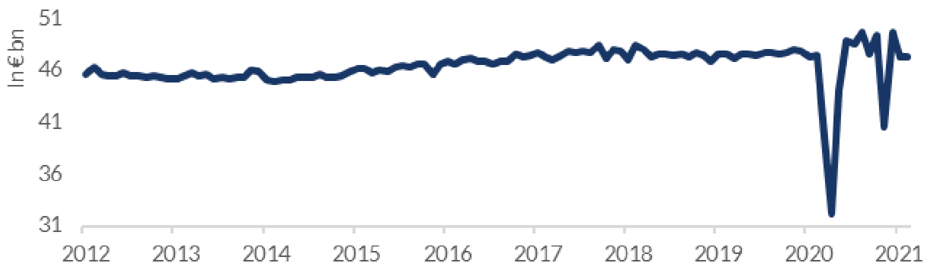
The reopening of COVID-19 sectors as well as the rebound in household confidence have resulted in France's household consumption expenditure of goods returning to pre-COVID-19 levels in December 2020.[3]

1 Source: Statista / The National Institute of Statistics and Economic Studies.

2 Source: Independent valuation report by the Independent Valuer.

3 Source: The National Institute of Statistics and Economic Studies.

France Household Consumption of Goods (€ bn)



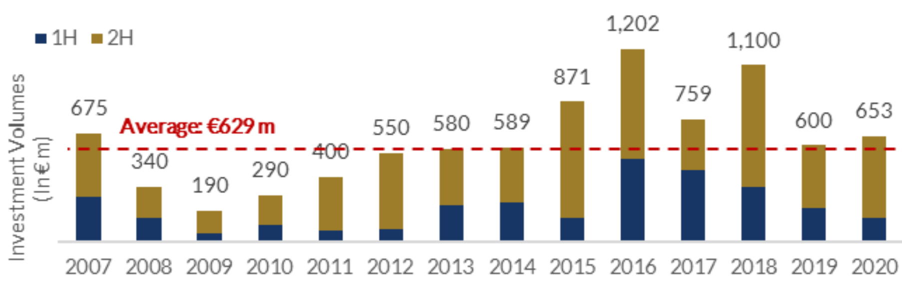
Further, the Properties are part of the Out-of-Town retail asset class, which has remained resilient amidst the challenges within the retail sector. The Out-of-Town retail asset class refers to shops or facilities that are situated away from the centre of a town or city. These retail parks and standalone stores are easily accessible and have large car parking, which allows consumers to access the stores quickly and easily while respecting social distancing measures.

Unlike other retail asset classes, the Out-of-Town market remains an attractive asset class with investment volumes up by approximately 9% in 2020, compared to an approximately 38% decline for High Street market and approximately 26% decline for Shopping Centres market. The Out-of-Town market also offers the best spread over all real estate asset classes at approximately 5.58% above France's risk-free rate.[1]

Yields of Out-of-Town segment vs Other Real Estate Asset Classes

Asset Type	Prime Yield (in %)	Spread in Q4 2020 (in %)	French T-bond (10 Years)
Out-of-Town	5.25%	5.58%	-0.33%
High Street Retail	3.00%	3.33%	
Office	2.70%	3.03%	
Logistics	3.80%	4.13%	

Out-of-Town Investment Volumes in France (€ m)



1 Independent valuation report by the Independent Valuer.

4.2 Blue-chip Tenant, Decathlon, Operates within a Defensive Industry

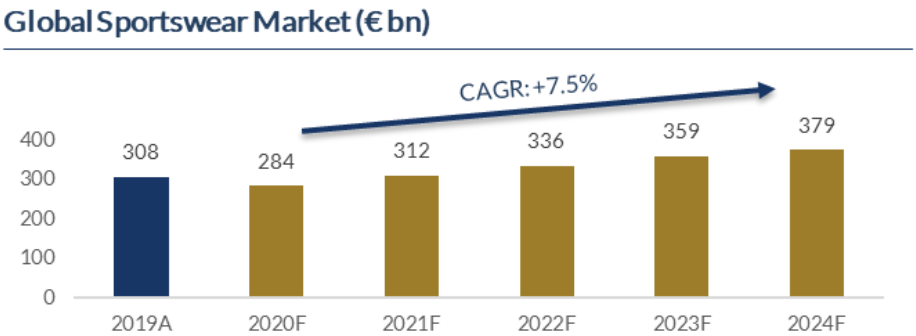
Sporting Goods Industry Emerged as a Defensive Industry Through COVID-19[1]

2020 was a challenging year for the global retail industry as COVID-19 resulted in lock-downs for majority of the world's population, and in turn, adversely affected numerous retailers.

The sporting goods industry has however emerged as a defensive industry as COVID-19 has reshaped consumers' patterns with two key trends emerging – rise of athleisure and higher physical activities. Due to the increase adoption of work-from-home arrangements, consumers favoured practical and comfortable clothing, such as athleisure (i.e. casual, sports-focused clothes), over more formal work attire. Further, COVID-19 led to a higher number of people exercising and engaging in physical activities.

Accordingly, these key trends within the sporting goods industry have resulted in less decline in the turnover of the sporting goods industry as compared to the wider retail sector, despite strong economic headwinds, including the closure of retail outlets over two lockdowns in France, which had led to declines in spending across the board. In 2020, turnover for sporting goods retailers in France declined by approximately 10.5% year-on-year compared to approximately 24% year-on-year for the wider retail sector.

Globally, the sportswear market is forecasted to grow at approximately 7.5% year-on-year between 2020 and 2024. In-line with global growth, the sporting goods industry in France is expected to rebound strongly with forecasted turnover growth of approximately 13.0% expected for 2021.



1 McKinsey & Company, "Sporting Goods 2021-The Next Normal for an Industry in Flux" and XERFI market research, "La distribution d'articles de sport".

Decathlon is the Largest Sporting Goods Retailer within the Sporting Goods Industry[1]

Decathlon was founded in 1976 as part of the Mulliez family conglomerate (Auchan, Boulanger, Leroy Merlin, Alinéa). Presently, Decathlon is privately held by Association Familiale Mulliez (51%), Leclercq (49%).

Decathlon has the largest share of the sporting goods industry in France with a market share of approximately 33% (its closest competitor, Intersport, having a market share of approximately 24%). Decathlon was also voted as "France's Favourite Brand" in 2019. Further, Decathlon has a strong international footprint with approximately 1,650 in nearly 1,000 cities in 57 countries and regions, with worldwide turnover of €12.4 billion in 2019, representing approximately 9.7% year-on-year growth, and had approximately 100,000 employees worldwide in 2019. As at 31 December 2019, the top 3 countries with the number of Decathlon stores are France (324 stores), China (293 stores) and Spain (172 stores).

Decathlon adopts a two-pillar growth strategy: innovation and services. Since 1986, Decathlon has been developing and marketing its products under various in-house specialised brands, which includes Quechua for hiking, Kipsta for football, Kalenji for running and Artengo for tennis. Decathlon's strong research and development platform and production facilities allows it to offer high quality equipment (from beginner to expert level) at an attractive price point, enabling it to be more resilient in times of crisis than its direct competitors. Approximately 80% of Decathlon's 2020 turnover stems from its 80 in-house brands (such as Domyos, Artengo, Kipsta, Inesis, Kalenji, Tribord, NewFeel and Btwin), making it less susceptible to competition from third-party brands.

Decathlon employs product specialists that adds value through their sport-specific expertise, significantly differentiating Decathlon's value proposition from the average online experience. Decathlon stores also features workshop stations that offers maintenance and repair services such as stringing of tennis rackets, bicycle repairs, ski waxing, among others, which leads to higher customer engagement. Despite Decathlon's higher number of employee per store, each employee of Decathlon generates a higher turnover than its competitors.

	Decathlon	Intersport	Go Sport	Sport 2000
Average Employee per Store	52	15	17	5
Turnover per Employee (€ '000 per annum)	190	-	87	141

Decathlon remains Resilience Amidst Challenges in the Retail Industry[2]

Sporting Goods retailers are increasingly under threat from brands that are developing their own direct-to-consumer ("**DTC**") channels. Unlike its competitors, Decathlon is less susceptible to competition from third-party brands as approximately 80% of its turnover for 2020 stems from in-house brands.

1 McKinsey & Company, "Sporting Goods 2021-The Next Normal for an Industry in Flux" and XERFI market research, "La distribution d'articles de sport".

2 McKinsey & Company, "Sporting Goods 2021-The Next Normal for an Industry in Flux" and XERFI market research, "La distribution d'articles de sport".

Sales Approach of Decathlon vs. Competitors

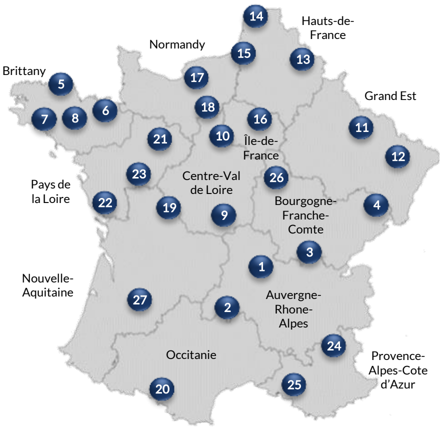
Company	Points of sale (in France)			Website	In-house brand (% of Sales)
	Total	Integrated	Independent		
Decathlon	**324**	**324**	-	**Yes**	**80%**
Intersport	660	-	660	Yes	20%
SPORT 2000	450	-	450	No	-
GO Sport	132	91	41	Yes	33%

Moreover, Decathlon has been investing heavily into digitalisation for several years, thus has a strong omnichannel presence with its e-commerce platform complementing its physical retail stores. Some of the integrated point of sales (online and offline) that Decathlon feature include "Click & Collect", Decathlon Scan & Go and "Barcode-less" self-checkout terminals using RFID technology.

Decathlon has successfully navigated through the COVID-19 crisis by enhancing its "Click & Collect" program which allow consumers to "reserve" products online ahead of physical trips as well as online deliveries. The Manager expects e-commerce sales to stabilise at around 15% of Decathlon's turnover going forward. Decathlon has demonstrated through the COVID-19 crisis that it has resilient business model.

4.3 Quality Retail Portfolio that Complements IREIT's Existing Portfolio[1]

The Properties comprise of 27 freehold retail properties that are located in well-established retail areas across France and all 27 Properties are profitable.

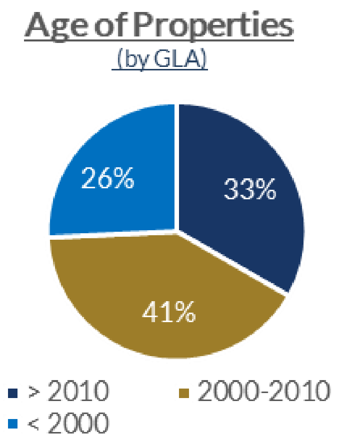


No.	Property Name	No.	Property Name	No.	Property Name
1	Vichy	10	Dreux	19	Châtellerault
2	Aurillac	11	Verdun	20	Foix
3	Mâcon	12	Sarrebourg	21	Laval
4	Belfort Bessoncourt	13	Douai	22	Sables d'Olonne
5	Lannion	14	Calais	23	Cholet
6	Dinan	15	Abbeville	24	Gap
7	Concarneau	16	Cergy	25	Istres
8	Pontivy	17	Pont-Audemer	26	Sens
9	Châteauroux	18	Evreux	27	Bergerac

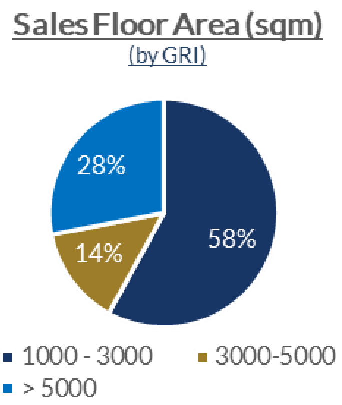
Each of the 27 Properties was developed by Decathlon as a built-to-suit asset. The customised nature of the Properties, the high cost of moving and the increasing challenge of obtaining building permits for new retail space in France increases Decathlon's "stickiness" to the Properties.

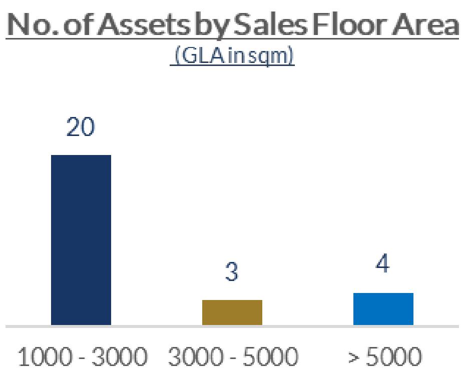
The Properties have an average age of 15 years (by GLA), with 12 out of the 27 assets being less than 10 years old.

1 Independent valuation report by the Independent Valuer.

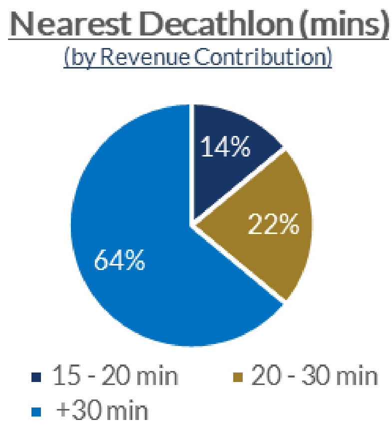


The majority of the Properties (23 out of 27) have sales floor area of less than 5,000 sqm, with the average sales floor area across the Properties at less than 3,000 sqm. The smaller retail footprint better suits Decathlon's omnichannel retail concept as this provides an optimal balance of sufficient sales floor area for Decathlon to display the products range while leveraging the stores to support Decathlon's digital operations.



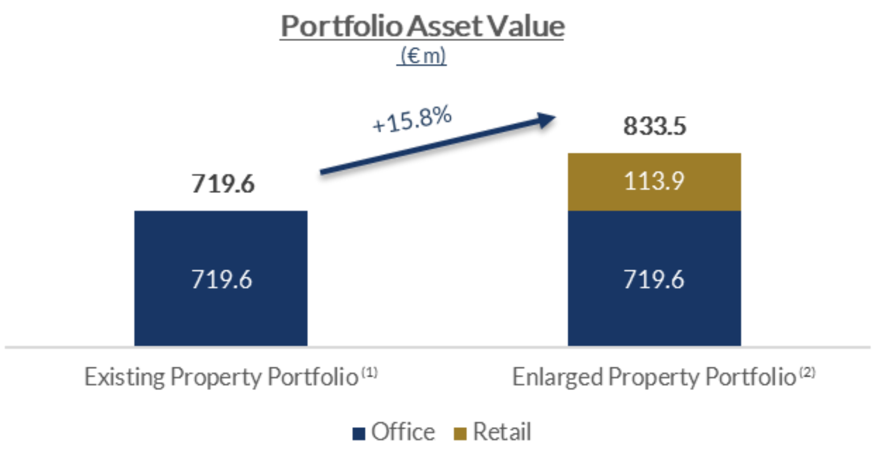


The Properties are each strategically located, with the nearest competing Decathlon store being, on average, over 30 minutes away. Closure of any of the 27 Properties would result in a direct loss of turnover for Decathlon.



4.4 Strengthens IREIT's Portfolio Resilience and Diversification

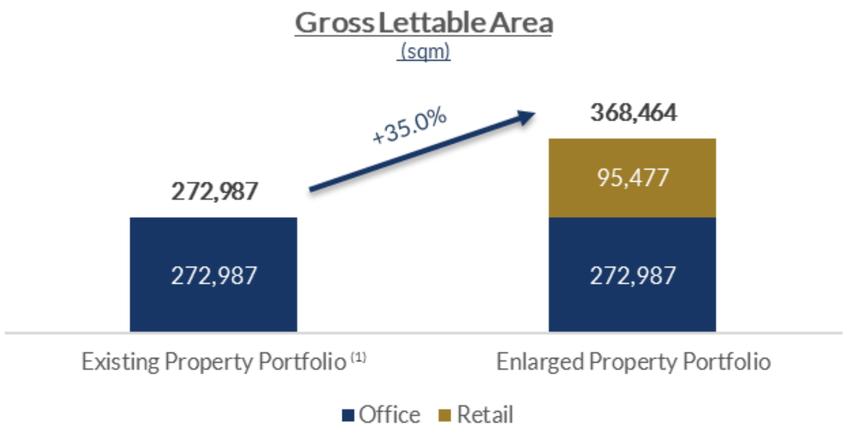
Since 2018, IREIT's property portfolio value has grown at a compound annual growth rate ("**CAGR**") of 19.4%, from €504.9 million to €719.6 million by 2020. The Acquisition builds on IREIT's growth momentum, increasing the portfolio asset value by approximately 15.8% to €833.5 million. Similarly, the GLA of IREIT which had grown at a CAGR of 16.7% from 200,609 sqm in 2018 to 272,987 sqm by 2020, will increase by a further approximate 35.0% to 368,464 sqm with the Acquisition.



Notes:

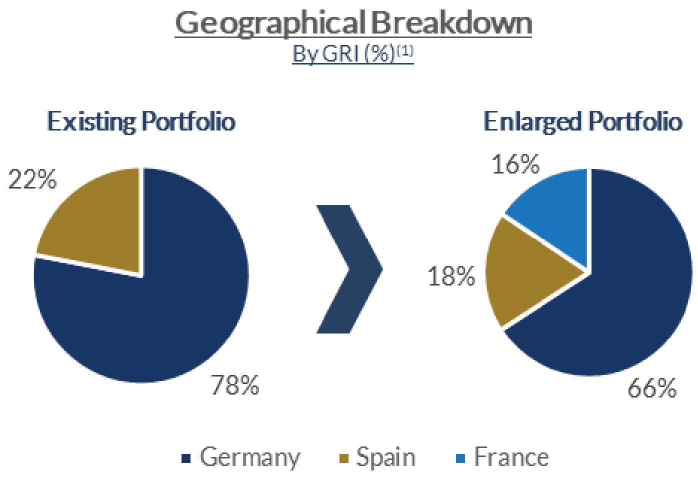
(1) Based on existing property portfolio valuation of €719.6 million as at 31 December 2020.

(2) Comprises the existing property portfolio valuation as at 31 December 2020 and the valuation of the Properties as at 26 April 2021.



Note:
(1) Based on existing property portfolio's GLA of 272,987 sqm as at 31 December 2020.

The Acquisition reduces IREIT's reliance on any single property, geographical location and trade sector, benefitting Unitholders from increased scale and diversification in its portfolio and income streams. IREIT will also gain exposure to the Sports & Leisure trade sector, a resilient segment that is expected to grow by approximately 13.0% in 2021 driven by strong customer demand in athleisure and higher physical activity.[1]



Note:
(1) Based on the GRI as at 31 December 2020.

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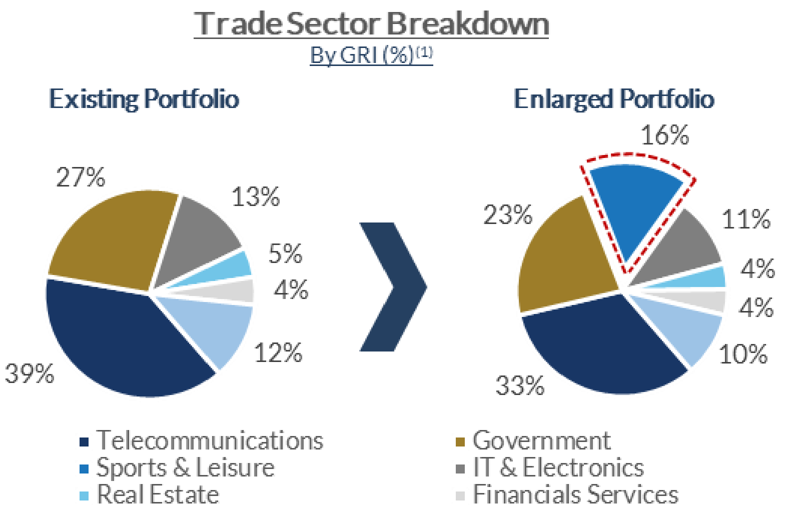
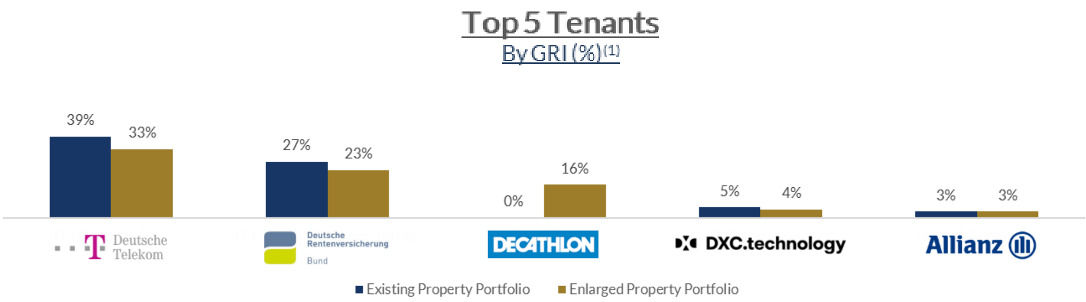
1 McKinsey & Company, "Sporting Goods 2021-The Next Normal for an Industry in Flux".



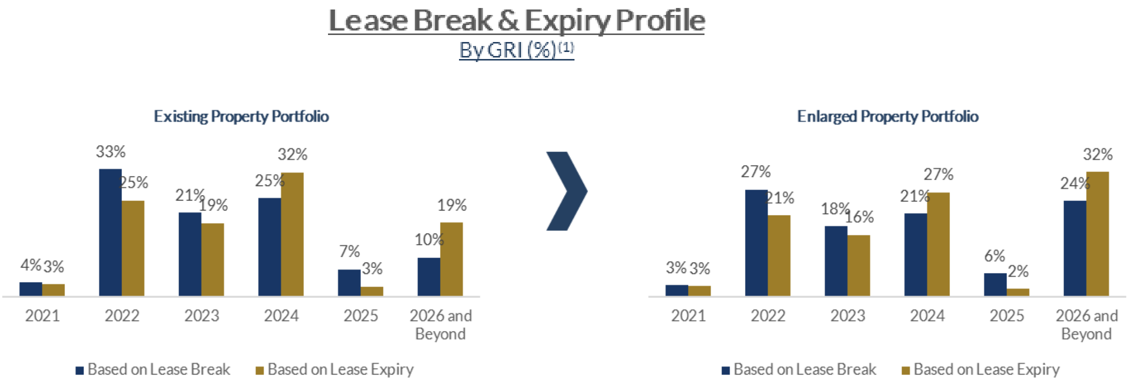
Note:
(1) Based on the GRI as at 31 December 2020.

The Acquisition improves the quality of IREIT's tenant base with the inclusion of Decathlon, the world's largest sporting goods retailer that is rated A-2 by S&P Global Ratings. Following the completion of the Acquisition, the GRI contribution by IREIT's largest tenant, Deutsche Telekom, will decrease from approximately 39% to approximately 33%.



Note:
(1) Based on the GRI as at 31 December 2020.

The Properties have a WALE of 10 years[1] and a WALB of 6 years[2]. Post-Acquisition, the WALE of IREIT's portfolio is expected to increase from 3.5 years to 4.5 years, with less than 27% of leases expiring in any given year before 2026.

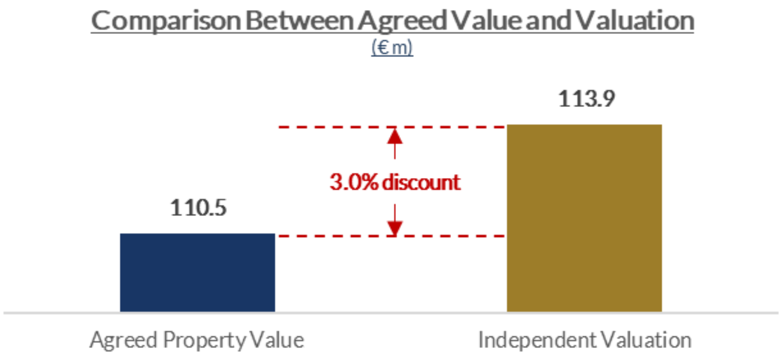


Notes:

(1) Based on the GRI as at 31 December 2020.

4.5 Attractive Value Proposition

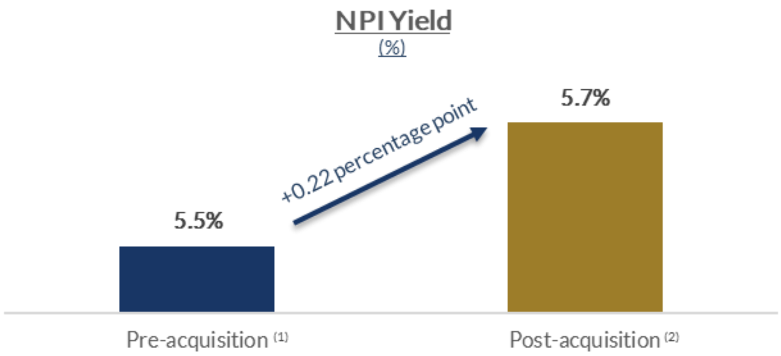
The Manager and Decathlon have agreed on the property value of €110.5 million for the Properties, representing approximately 3.0% discount to the independent valuation of the Properties by the Independent Valuer of €113.9 million.



At 7.1%, the NPI Yield of the Properties is attractive and will result in IREIT's adjusted NPI Yield increasing from approximately 5.5% to approximately 5.7%.

1 The lease with Decathlon will be entered into and commence on the date of Completion.

2 WALB is not adjusted for the 18-month penalty payment which is payable by Decathlon in relation to 9 Properties (Vichy, Lannion, Concarneau, Châteauroux, Sarrebourg, Cergy, Evreux, Foix and Laval) upon termination of the lease after the permissible break date being 6 years after the date of commencement of the lease.



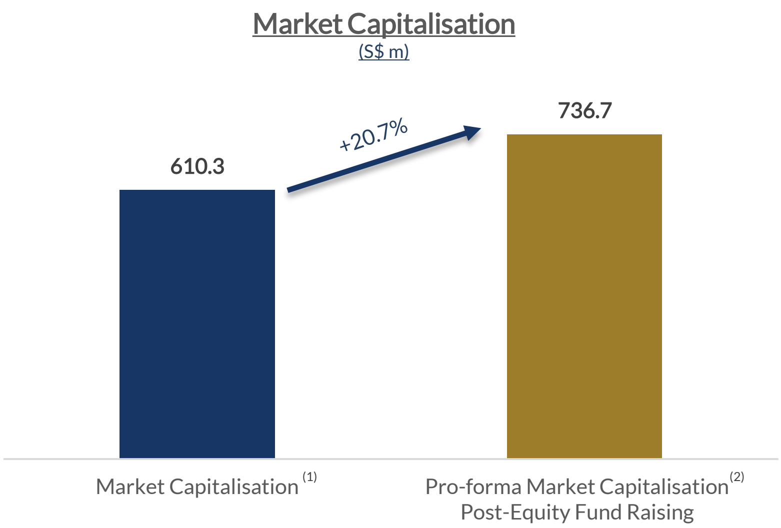
Note:

(1) Based on the adjusted FY2020 NPI of €39.3 million, adjusted as though the Spanish Acquisition were completed on 1 January 2020 and IREIT had held and operated the Spain Properties through to 31 December 2020, and the existing property portfolio valuation of €719.6 million as at 31 December 2020. The NPI Yield before adjustment of the existing property portfolio is 4.6%.

(2) Based on the pro forma adjusted FY2020 NPI of €47.2 million, adjusted as though the Spanish Acquisition were completed on 1 January 2020 and IREIT had held and operated the Spain Properties through to 31 December 2020, the existing property portfolio valuation of €719.6 million as at 31 December 2020 and the Agreed Value of €110.5 million. The NPI Yield before adjustment of the enlarged property portfolio is 4.9%.

4.6 Increases Market Capitalisation and Liquidity

For illustrative purposes, assuming that approximately 212,042,812 new Units are issued at an illustrative average issue price of approximately S$0.596 per new Unit to raise gross proceeds of approximately €79.0 million (approximately S$126.4 million) pursuant to the Equity Fund Raising, market capitalisation of IREIT is expected to increase by 20.7% to S$736.7 million. The increased market capitalisation increases probability of inclusion in key indices, which offers benefits of a wider and more diversified investor base, higher trading liquidity, increased analyst coverage and potential positive re-rating.



Notes:

(1) Based on an IREIT's volume weighted average price of S$0.650 on 26 April 2021, being the market day immediately prior to the date of the Sale Agreement and assuming exchange rate of €1.00 = S$1.60.

(2) Assuming approximately 212,042,812 new Units are issued at an illustrative average issue price of

approximately S$0.596 per new Unit to raise gross proceeds of approximately €79.0 million (approximately S$126.4 million) pursuant to the Equity Fund Raising.

4.7 Leveraging on Strategic Investors' Knowledge, Expertise, Support and Resources in France

The Properties mark IREIT's second portfolio acquisition since December 2019, and demonstrates the deep knowledge, expertise and support from the strategic investors, Tikehau Capital and CDL. IREIT is able to leverage on Tikehau Capital's extensive pan-European network and intricate knowledge of the local markets to secure the sale & lease-back transaction with Decathlon. Tikehau Capital is headquartered in Paris, France and IREIT would benefit from its established market presence (over 15 years) and its technical know-how of the French real estate market, especially in retail sector.

At the same time, CDL provides strong financial support to IREIT. In the event IREIT issues New Units pursuant to an Equity Fund Raising, and if the Equity Fund Raising includes a Preferential Offering, CDL (through its wholly-owned subsidiary, CSEPL) has provided an Undertaking to subscribe for Preferential Offering Units amounting to approximately S$59 million in aggregate. (See paragraph 3.1 above for further details.)

5. PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITION

The pro forma financial effects of the Acquisition on the DPU and NAV per Unit presented below are strictly for illustrative purposes and were prepared based on the audited financial statements of IREIT for the financial year ended 31 December 2020 (the "**2020 Audited Financial Statements**"), taking into account the Purchase Consideration of the Properties and assuming that:

- the Total Acquisition Cost is partially financed with a bank loan of approximately €51.4 million (approximately S$82.2 million) and the balance of which is financed with part of the net proceeds of the Equity Fund Raising, and no drawdown is made on the Bridge Loan;
- approximately 212,042,812 new Units are issued at an illustrative average issue price of approximately S$0.596 per new Unit to raise gross proceeds of approximately €79.0 million (approximately S$126.4 million) pursuant to the Equity Fund Raising, out of which approximately €70.9 million (approximately S$113.4 million) will be used to partially finance the Total Acquisition Cost, with the balance to be used for future capital expenditure, repayment of debt and/or acquisition, and to pay for estimated professional and other fees and expenses incurred or to be incurred by IREIT in connection to the Equity Fund Raising;
- approximately 1,182,123 new Units are issued and 394,041 new Units to be issued at an illustrative price of S$0.640 per new Unit for the management fee payable to the Manager in relation to the Properties for the financial year ended 31 December 2020;
- 100.0% of the Distributable Income attributable to the Properties arising from the Acquisition is distributed to Unitholders. For the avoidance of doubt, the Manager

will continue to distribute approximately 90.0% of the annual distributable income attributable to the existing property portfolio of IREIT; and

- Acquisition Fee payable to the Manager will be paid 100% in cash.

IREIT had on 22 October 2020 completed the acquisition of the balance 60.0% interest in four freehold office buildings located in Spain (the "**Spain Properties**" and the acquisition of the Spain Properties, the "**Spanish Acquisition**"), such that IREIT owns 100.0% of the Spain Properties. The Spanish Acquisition was fully funded through a renounceable rights issue of 291,405,597 new Units to raise gross proceeds of approximately S$142.8 million (the "**Rights Issue**"), and the gross proceeds of the Rights Issue were also utilised to repay the loan from City Developments Limited in relation to the initial acquisition of the 40.0% interest in the Spain Properties. In order to provide a more meaningful overview of the financial position of IREIT for the full financial year ended 31 December 2020 ("**FY2020**"), the adjusted pro forma financial effects of the Acquisition on the DPU and NAV per Unit, adjusted as though the Rights Issue and the Spanish Acquisition were completed on 1 January 2020 and IREIT had held and operated the Spain Properties through to 31 December 2020, are also presented below strictly for illustrative purposes only and, in addition to the above, assuming that:

- approximately 689,039 new Units to be issued at an illustrative price of S$0.640 per new Unit for the performance fee payable to the Manager in relation to the Properties for the financial year ended 31 December 2020.

5.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisition on IREIT's DPU for the financial year ended 31 December 2020, as if the Acquisition was completed on 1 January 2020, and IREIT had held and operated the Properties through to 31 December 2020, are as follows:

	Before the Acquisition	After the Acquisition
Net Property Income (€'000)	32,894	40,761(6, 7)
Adjusted Net Property Income (€'000)(1)	39,349	47,216(8, 9)
Distributable Income (€'000)	27,434	33,739(6, 7)
Adjusted Distributable Income (€'000)(1)	29,272	35,576(8, 9)
Issued Units ('000)	937,046(2)	1,150,271(3, 4, 5)
DPU (€ cents)	3.21	3.14(6, 7)
DPU (S$ cents)	5.14	5.03(6, 7)
Adjusted DPU (€ cents)(1)	2.81	2.84(8, 9)
Adjusted DPU (S$ cents)(1)	4.50	4.54(8, 9)
DPU Accretion (%)	-	(2.2)%(6, 7)
Adjusted DPU Accretion (%)(1)	-	1.0%(8, 9)

Notes:

(1) Adjusted as though the Rights Issue and the Spanish Acquisition were completed on 1 January 2020 and IREIT had held and operated the Spain Properties through to 31 December 2020.

(2) Number of Units issued as at 31 December 2020.

(3) The total number of Units in issue at the end of the year includes (a) approximately 212,042,812 new Units issued in connection with the Equity Fund Raising at an illustrative average issue price of S$0.596 per new Unit, (b) approximately 1,182,123 new Units issued as payment of the management fee payable to the Manager at an illustrative issue price of S$0.640 per new Unit for FY2020 in relation to the Properties for the financial year ended 31 December 2020.

(4) In the event that Cholet is not acquired due to the exercise of the pre-emption right over Cholet, the total number of Units in issue at the end of the year will be 1,150,147,029.

(5) In the event that Verdun is not acquired due to the exercise of the pre-emption right over Verdun, the total number of Units in issue at the end of the year will be 1,150,231,481.

(6) In the event that Cholet is not acquired due to the exercise of the pre-emption right over Cholet, the Net Property Income will be €40.087 million, the distributable income will be €33.076 million, the DPU will be €3.07 (S$4.91) and the DPU accretion will be (4.2%).

(7) In the event that Verdun is not acquired due to the exercise of the pre-emption right over Verdun, the Net Property Income will be €40.545 million, the distributable income will be €33.526 million, the DPU will be €3.12 (S$4.99) and the DPU accretion will be (2.8%).

(8) In the event that Cholet is not acquired due to the exercise of the pre-emption right over Cholet, the Adjusted Net Property Income will be €46.543 million, the Adjusted distributable income will be €34.914 million, the Adjusted DPU will be €2.78 (S$4.45) and the Adjusted DPU accretion will be (1.1%).

(9) In the event that Verdun is not acquired due to the exercise of the pre-emption right over Verdun, the Adjusted Net Property Income will be €47.001 million, the Adjusted distributable income will be €35.364 million, the Adjusted DPU will be €2.82 (S$4.51) and the Adjusted DPU accretion will be 0.3%.

5.2 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisition on the NAV per Unit as at 31 December 2020, as if the Acquisition was completed on 31 December 2020, are as follows:

	Before the Acquisition	After the Acquisition
NAV represented by Unitholders' funds (€'000)	441,743	508,556(9, 10)
Adjusted NAV represented by Unitholders' funds (€'000)(1)	438,743	505,556(11, 12)
Units in issue and to be issued at the end of the year ('000)	938,963(2)	1,152,582(3, 4, 5)
Adjusted Units in issue and to be issued at the end of the year ('000)(1)	938,963(2)	1,153,271(6,7,8)
NAV represented by Unitholders' funds per Unit (€)	0.47	0.44(9, 10)
Adjusted NAV represented by Unitholders' funds per Unit (€)(1)	0.47	0.44(11, 12)

Notes:

(1) Adjusted as though the Rights Issue and the Spanish Acquisition were completed on 1 January 2020 and IREIT had held and operated the Spain Properties through to 31 December 2020.

(2) Number of Units issued and to be issued as at 31 December 2020.

(3) The total number of Units in issue and to be issued at the end of the year includes (a) approximately

212,042,812 new Units issued in connection with the Equity Fund Raising at an illustrative average issue price of S$0.596 per new Unit, (b) approximately 1,576,164 new Units issued and to be issued as payment of the management fee payable to the Manager at an illustrative issue price of S$0.640 per new Unit for FY2020 in relation to the Properties for the financial year ended 31 December 2020.

(4) In the event that Cholet is not acquired due to the exercise of the pre-emption right over Cholet, the total number of Units in issue and to be issued at the end of the year will be 1,152,416,347.

(5) In the event that Verdun is not acquired due to the exercise of the pre-emption right over Verdun, the total number of Units in issue and to be issued at the end of the year will be 1,152,528,950.

(6) The adjusted total number of Units in issue and to be issued at the end of the year includes (a) approximately 212,042,812 new Units issued in connection with the Equity Fund Raising at an illustrative average issue price of S$0.596 per new Unit, (b) approximately 1,576,164 new Units issued and to be issued as payment of the management fee payable to the Manager at an illustrative issue price of S$0.640 per new Unit, (c) approximately 689,039 new Units issued and to be issued as payment of the performance fee payable to the Manager at an illustrative issue price of S$0.640 per new Unit for FY2020 in relation to the Properties for the financial year ended 31 December 2020.

(7) In the event that Cholet is not acquired due to the exercise of the pre-emption right over Cholet, the total adjusted number of Units in issue and to be issued at the end of the year will be 1,152,415,967.

(8) In the event that Verdun is not acquired due to the exercise of the pre-emption right over Verdun, the total adjusted number of Units in issue and to be issued at the end of the year will be 1,152,747,811.

(9) In the event that Cholet is not acquired due to the exercise of the pre-emption right over Cholet, the NAV will be €509.447 million and the NAV per Unit will be €0.44.

(10) In the event that Verdun is not acquired due to the exercise of the pre-emption right over Verdun, the NAV will be €508.813 million and the NAV per Unit will be €0.44.

(11) In the event that Cholet is not acquired due to the exercise of the pre-emption right over Cholet, the Adjusted NAV will be €506.447 million and the Adjusted NAV per Unit will be €0.44.

(12) In the event that Verdun is not acquired due to the exercise of the pre-emption right over Verdun, the Adjusted NAV will be €505.813 million and the Adjusted NAV per Unit will be €0.44.

5.3 Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma aggregate leverage of IREIT as at 31 December 2020, as if the Acquisition was completed on 1 January 2020, is as follows:

	Before the Acquisition	**After the Acquisition**(1)
Aggregate Leverage (pro forma as at 31 December 2020)	34.8%	36.0%(2)

Notes:

(1) Assuming the Acquisition is funded through approximately €79.0 million of gross proceeds raised pursuant to the Equity Fund Raising as well as approximately €51.4 million of new debt.

(2) In the event that Cholet or Verdun is not acquired due to the exercise of the pre-emption right over Cholet and Verdun, the aggregate leverage will be 36.0%.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the date of this Announcement, certain directors of the Manager collectively hold an aggregate direct and indirect interest in 937,930 Units. Based on the Register of Directors' Unitholdings maintained by the Manager, the Directors and their interests in the Units as at the date of this Announcement are as follows:

Name of Director	Direct Interest		Deemed Interest		Total No. of Units Held	%(5)
	No. of Units	%(5)	No. of Units	%(5)		
Mr Lim Kok Min, John	421,700	0.045	-	-	421,700	0.045
Mr Nir Ellenbogen	210,830	0.022	-	-	210,830	0.022
Mr Chng Lay Chew	-	-	-	-	-	-
Mr Bruno de Pampelonne	290,800	0.031	-	-	290,800	0.031
Mr Khoo Shao Hong, Frank	-	-	-	-	-	-
Mr Sanjay Bakliwal	14,600	0.002	-	-	14,600	0.002

Based on the information available to the Manager, the Substantial Unitholders of IREIT and their interests in the Units as at the date of this Announcement (unless otherwise stated) are as follows:

Name of Substantial Unitholder	Direct Interest		Deemed Interest		Total No. of Units Held	%[5]
	No. of Units	%[5]	No. of Units	%[5]		
Skyline Horizon Consortium Ltd	56,359,095	6.002	-	-	56,359,095	6.002
Shanghai Summit (Group) Co., Ltd[1]	-	-	56,359,095	6.002	56,359,095	6.002
Mr Tong Jinquan[1]	-	-	56,359,095	6.002	56,359,095	6.002
Tikehau Capital SCA[2]	275,401,501	29.330	2,053,542	0.219	277,455,043	29.549
City Strategic Equity Pte. Ltd.[3]	198,047,398	21.092	2,053,542	0.219	200,100,940	21.311
CDL Real Estate Investment Managers Pte. Ltd.[3]	-	-	200,100,940	21.311	200,100,940	21.311
New Empire Investments Pte. Ltd.[3]	-	-	200,100,940	21.311	200,100,940	21.311
City Developments Limited[3]	-	-	200,100,940	21.311	200,100,940	21.311
Hong Leong Investment Holdings Pte. Ltd.[3]	-	-	200,100,940	21.311	200,100,940	21.311
Davos Investment Holdings Private Limited[3]	-	-	200,100,940	21.311	200,100,940	21.311
Kwek Holdings Pte. Ltd.[3]	-	-	200,100,940	21.311	200,100,940	21.311
AT Investments Limited	51,069,100	5.439	-	-	51,069,100	5.439
Auctus Investments Limited[4]	-	-	51,069,100	5.439	51,069,100	5.439
Sai Charan Trust[4]	-	-	51,069,100	5.439	51,069,100	5.439
Mr Arvind Tiku[4]	-	-	51,069,100	5.439	51,069,100	5.439

Notes:

(1) Shanghai Summit Pte. Ltd. and Mr Tong Jinquan and Shanghai Summit are deemed pursuant to the provisions of Section 4 of the Securities and Futures Act, Chapter 289 to have an interest in the 56,359,095 Units held by Skyline Horizon Consortium Ltd.

(2) Tikehau Capital SCA is deemed pursuant to the provisions of Section 4 of the Securities and Futures Act, Chapter 289 to have an interest in the 2,053,542 Units held by IREIT Global Group Pte. Ltd. Prior to the Units being traded ex-rights for the Preferential Offering, the Manager expects to be issued new Units as payment for its base management fees for the period from 1 January 2021 to 31 March 2021.

(3) CDL Real Estate Investment Managers Pte. Ltd., New Empire Investments Pte. Ltd., City Developments Limited, Hong Leong Investment Holdings Pte. Ltd., Davos Investment Holdings Private Limited and Kwek

Holdings Pte Ltd are deemed pursuant to the provisions of Section 4 of the Securities and Futures Act, Chapter 289 to have an interest in the 198,047,398 Units held by City Strategic Equity Pte. Ltd and the 2,053,542 Units held by IREIT Global Group Pte. Ltd. Prior to the Units being traded ex-rights for the Preferential Offering, the Manager expects to be issued new Units as payment for its base management fees for the period from 1 January 2021 to 31 March 2021.

(4) Auctus Investments Limited, Sai Charan Trust and Mr Arvind Tiku are deemed pursuant to the provisions of Section 4 of the Securities and Futures Act, Chapter 289 to have an interest in the 51,069,100 Units held by AT Investments Limited.

(5) Based on the total number of 938,963,086 Units in issue as at the date of this Announcement. Prior to the Units being traded ex-rights for the Preferential Offering, the Manager expects to be issued new Units as payment for its base management fees for the period from 1 January 2021 to 31 March 2021.

Save as disclosed above and based on information available to the Manager as at the date of this Announcement, none of the Directors or the Substantial Unitholders has an interest, direct or indirect, in the Acquisition.

7. OPINION OF THE IFA AND STATEMENT OF THE RELEVANT INDEPENDENT DIRECTORS

The Manager has appointed Crowe Horwath Capital Pte. Ltd., as the independent financial adviser (the "**IFA**") pursuant to paragraph 2(e) of Appendix 1 of the Code to advise the directors of the Manager who are considered independent for the purpose of the proposed Whitewash Resolution, being Mr Lim Kok Min, John, Mr Nir Ellenbogen, Mr Chng Lay Chew and Mr Sanjay Bakliwal (the "**Relevant Independent Directors**") and the Trustee as to whether the proposed Whitewash Resolution is fair and reasonable.

The Relevant Independent Directors will form their own views after reviewing the opinion of the IFA, which will be disclosed in the Circular.

8. OTHER INFORMATION

8.1 Directors' Service Contracts

No person is or is proposed to be appointed as a director of the Manager in connection with the Acquisition or any other transactions contemplated in relation to the Acquisition.

8.2 Disclosure under Rule 1010(13) of the Listing Manual

Chapter 10 of the Listing Manual classifies transactions by IREIT into (i) non-discloseable transactions, (ii) discloseable transactions, (iii) major transactions and (iv) very substantial acquisitions or reverse takeovers, depending on the size of the relative figures computed on, *inter alia*, the following bases or comparison set out in Rules 1006(b) and 1006(c) of the Listing Manual:

(i) the net profits attributable to the assets acquired, compared with IREIT's net profits;

(ii) the aggregate value of the consideration given, compared with IREIT's market capitalisation;

Where any of the relative figures computed on the bases set out above exceeds 20.0%, the transaction is classified as a major transaction. The Listing Manual requires that a major transaction involving IREIT be made conditional upon approval by Unitholders in a general meeting. However, the approval of Unitholders is not required in the case of an acquisition of profitable assets if only sub-paragraph 8.2(i) exceeds the relevant 20.0% threshold.

The relative figures for the Acquisition using the applicable bases of comparison described above in this sub-paragraph 8.2 are set out in the table below.

Comparison of	Acquisition (€'000)	IREIT (€'000)	Relative figure (%)
Net property income[(1)]	7,867[(2)]	32,894[(3)]	23.9%
Consideration against market capitalisation	110,460[(4)]	381,454[(5)]	29.0%

Notes:

(1) In the case of a real estate investment trust, the net property income is a close proxy to the net profits attributable to its assets.

(2) Based on the estimated net property income of the Properties for the period from 1 January 2020 to 31 December 2020 assuming the Properties had a portfolio occupancy of 100.0% as of 31 December 2020 and all leases, whether existing or committed, were in place since 1 January 2020.

(3) Based on the audited net property income of IREIT for the financial year from 1 January 2020 to 31 December 2020.

(4) The figure represents the Purchase Consideration.

(5) Based on IREIT's volume weighted average price of S$0.650 per Unit on 26 April 2021, being the market day immediately prior to the date of the Sale Agreement and assuming exchange rate of €1.00 = S$1.60.

The relative figure in Rule 1006(d) in relation to the number of Units issued by IREIT as consideration for the Acquisition, compared with the number of Units previously in issue, is not applicable to the Acquisition as the Purchase Consideration for the Acquisition is payable entirely in cash.

The Acquisition is a "major transaction" under Rule 1014(1) of the Listing Manual (read with Rule 1006(c) of the Listing Manual) as the aggregate of the Purchase Consideration is approximately 29.0% of IREIT's market capitalisation as at 26 April 2021, being the market day immediately prior to the date of the Sale Agreement. Accordingly, the Manager is seeking the approval of Unitholders by way of an Ordinary Resolution of the Unitholders for the Acquisition.

8.3 Documents Available for Inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager[1] at 1 Wallich Street, #15-03 Guoco Tower, Singapore 078881 from the date of this Announcement up to and including the date falling three months after the date of this Announcement:

(i) the Sale Agreement;

(ii) the full independent valuation report on the Properties issued by the Independent Valuer; and

(iii) the 2020 Audited Financial Statements.

The trust deed dated 1 November 2013 constituting IREIT, as supplemented, amended and

1 Prior appointment with the Manager is required. Please contact IREIT Investor Relations team (telephone: +65 6718 0590).

restated from time to time (the "**Trust Deed**") will also be available for inspection at the registered office of the Manager for so long as IREIT is in existence.

BY ORDER OF THE BOARD
IREIT GLOBAL GROUP PTE. LTD.
(as manager of IREIT Global)
(Company Registration No. 201331623K)

Lee Wei Hsiung
Company Secretary
28 April 2021

Important Notice

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

The value of 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 Units is subject to investment risks, including the possible loss of the principal amount invested. The past performance of IREIT is not necessarily indicative of the future performance of IREIT.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This Announcement may contain forward-looking statements that involve risks and uncertainties. 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, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and 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 of future events.

APPENDIX A

The table below sets out further details on the Properties as at 26 March 2021, unless otherwise indicated.

Property	Catchment Area (Number of Inhabitants	Direct Environment	Competition	Nearest Decathlon Stores
Vichy	45,789	Easy road access and good visibility from roundabout	• Sport 2000: 3.7 km • Sport 2000: 5.3 km • Intersport: 2.2 km	• Clermont: 67 km (46 min) • Moulins: 62 km (55 min)
Aurillac	37,871	In a dynamic retail area, in vicinity of a residential area	• Sport 2000: 3.7 km • Sport 2000: 5.5 km • Intersport: 2.2 km	• Tulle: 85 km (1 hr 25 min) • Rodez: 89 km (1 hr 21 min)
Mâcon	52,990	At the entrance of dynamic retail area	• Sport 2000: 2.3 km • Intersport: 3.4 km	• Viriat: 36 km (25 min) • Villefranche sur Soane: 39 km (25 min)
Belfort Bessoncourt	61,417	Visible and close to anchor tenants (Auchan)	• Go Sport: 8.9 km • Intersport: 7.2 km	• Montbéliard: 23 km (17 min) • Dornach: 34 km (24 min)
Lannion	35,390	Located in an established retail area	• Intersport: 500 m	• Morlaix: 43 km (46 min) • Saint Brieux: 74 km (53 min)
Dinan	43,632	Visible but part of non-established retail area	• Intersport: 4.8 km	• Saint Malo: 24 km (18 min) • Saint Brieuc: 63 km (42 min)
Concarneau	22,180	Visible, but in small / non-established retail area	• Intersport: 1.9 km	• Quimper: 19 km (15 min) • Lorient: 47 km (32 min)
Pontivy	24,160	Low visibility from road but located in established retail area	• Go Sport: 1.4 km	• Lorient: 58 km (40 min) • Vannes: 52 km (42 min)

Property	Catchment Area (Number of Inhabitants	Direct Environment	Competition	Nearest Decathlon Stores
Châteauroux	42,432	Located towards the rear of the main retail area	• Sport 2000: 2.6 km • Intersport: 3.4 km	• Romorantin: 85 km (1 hr 3 min) • Bourges: 102 km (1 hr 10 min)
Dreux	42,432	Visible and good location within well-established retail area	• Intersport: 500 m	• Chartres: 38 km (33 min) • Evreux: 45 km (35 min)
Verdun	24,706	Visible in the heart of the retail are	• Intersport: 750 m	• Metz Semecourt: 65 km (45 min) • Metz Augny: 83 km (53 min)
Sarrebourg	21,748	Well located in a dynamic retail area	• Sport 2000: 3.2 km • Intersport: 4.0 km	• Sarreguemines: 68 km (45 min) • Strasbourg Hautepierre: 77 km (51 min)
Douai	21,748	Not located in the heart of the retail area but in close vicinity of Action	• Intersport: 13 km	• Hénin-Baumont: 18 km (20 min) • Cambrai: 30 km (29 min)
Calais	94,141	In main retail area, close to anchor tenant (Action)	• Intersport: 1.2 km	• Dunkerque: 39 km (26 min) • Boulogne: 32 km (22 min) • Saint-Omer: 47 km (29 min)
Abbeville	32,726	Visible in the heart of the main retail area	• Intersport: 1.0 km	• Amiens: 53 km (33 min) • Dieppe: 86 km (1 hr 10 min)
Cergy	191,848	Well located in a dynamic and modern retail area	• Sport 2000: 6.4 km • Go Sport: 4.8 km • Intersport: 550 m	• Herblay: 14 km (22 min) • Montesson: 23 km (40 min) • L'Isle Adam: 26 km (24 min)
Pont-Audemer	20,173	Visible from the road and close to anchor tenants	• No competitors	• Lisieux: 39 km (36 min) • Tourville: 48 km (32 min)
Evreux	59,598	Isolated but visible with an easy road access	• Go Sport: 2.4 km • Intersport: 2.1 km	• Saint Marcel: 35 km (33 min) • Tourville: 45 km (34 min)

Property	Catchment Area (Number of Inhabitants	Direct Environment	Competition	Nearest Decathlon Stores
Châtellerault	38,708	Located in the heart of the retail area	• Intersport: 1.5 km	• Poitiers: 44 km (32 min) • Jardres: 36 km (34 min) • Chambray: 64 km (43 min)
Foix	23,566	Isolated location but good visibility from the national road	• No competitors	• Escalquens: 72 km (47 min) • Portet-sur-Garonne: 88 km (52 min)
Laval	67,521	Isolated but visible with easy road access	• Go Sport: 5.3 km • Intersport: 6.3 km	• Chantepie: 70 km (47 min) • Betton: 76 km (51 min)
Sables d'Olonne	30,799	Located in a very dynamic retail area	• Intersport: 1.0 km	• Roche sur Yon: 37 km (27 min) • Challans: 41 km (42 min)
Cholet	55,083	In the main retail area, close to anchor tenants (Darty, Carrefour)	• Intersport: 500 m	• Les Herbiers: 29 km (33 min) • Vertou: 56 km (49 min)
Gap	44,010	Located in heart of the retail area	• Go Sport: 1.1 km • Intersport: 1.0 km	• Manosque: 102 km (1 hr 9 min) • Digne les Bains: 83 km (1 hr 10 min)
Istres	50,838	Well located at the entrance of the main retail area	• Sport 2000: 5.0 km • Intersport: 1.1 km	• Martigues: 15 km (17 min) • Arles: 40 km (30 min)
Sens	55,500	Located in a dynamic retail area close to food anchor tenant	• Intersport: 600 m	• Varennes: 39 km (38 min) • Amilly: 57 km (48 min) • Provins: 50 km (50 min)
Bergerac	48,522	“Stand alone” location	• Sport 2000: 7.5 km • Intersport: 2.4 km	• Marmande: 54 km (52 min) • Boulazac: 56 km (53 min)